Rising Prices to Bring Prosperity (Page 3)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXX — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, OCTOBER 10, 1936 — 10c a Copy; $5.00 a Year — No. 41

The Nation's Business

Mr. King Emphasizes Isolation

But Should Be Discussing Unity Of Empire

Europe Will Buy Canadian Wheat

Alberta Can Pay But Will It?

British Nations Stand Together

The New York Times Geneva correspondent started off a despatch to his paper last week in these terms:

"The Assembly of the League of Nations heard the spokesman of 3 British Dominions today and found them poles apart on a basic peace policy and League reform."

Study of the cabled reports of the addresses of Mr. King, of Canada, Mr. Bruce, of Australia, and Mr. Jordan, of New Zealand, suggests that the picture of the British nations pointing in many different directions on foreign policy is not an inaccurate one.

It is unfortunate that the British nations are not able to agree in their respective policies toward the League of Nations. Their lack of agreement reflects in part the indecision and lack of leadership of Great Britain itself during the past year, which indecision has now disappeared. In part, it may be a reflection of the difference between the problem of Great Britain, face to face with Europe, and the problems of Dominions, separated from Europe by many thousands of miles of land and water. It is easier for Canada and Australia to think of splendid isolation.

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HON. G. HOWARD FERGUSON, speaking in Toronto this week, mentioned how impressive a sight it was at Geneva when the British nations were able to agree upon a policy and back it up with influence achieved through unity.

There can be no question that when the British nations agree upon a policy, and especially when that policy is based upon purely unselfish motives, it carries weight in the world.

A united empire can be the world's greatest factor for peace. An empire whose constituent nations are at odds with one another has but little influence.

Mr. King's league address of last week has aroused some dismay in the minds of many unprejudiced observers. They feel that the prime minister, in his emphasis upon Canada's independence and comparative isolation, gave the impression of a dis-unity in empire politics that does not, in fact, exist.

• • •

MR. KING'S views on the potential reform of the league were reasonably expressed and no doubt the majority of Canadians, if they were to read what Mr. King had to say on this point, would agree with him in very large measure if not completely. Mr. King knows the league and is friendly to it. He is quite right in refusing to accept automatic commitments under it.

What, then, is there to criticize in his address? Merely this, that Mr. King went all the way to Geneva to talk about something that is not an issue at all at this time. Canada's status as a sovereign state is known to the world and does not require constant reiteration and amplification. The emphasis upon Canada's independence and isolation is hardly necessary; and it gave to the world the impression that the British nations could not be relied upon to stand together for world peace if a crisis arose. No one is denying Canada's right to independent action. But anyone who reads correctly the history of the past or the temper of the present knows that the British nations will all be on the same side and will act in concert if and when the next war comes.

It would have been a potent factor for peace in the world if Mr. King had emphasized the common purpose for peace of the British nations instead of threshing over the old straw of "status."

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ACADEMIC discussions concerning obligations under the league covenant are out of place now. The league, as the arbiter of peace, has been tied up in pink ribbon and laid on the shelf and there it will stay for an indeterminate period. Those who hoped that some system of collective security would come out of the league may regret the fact that they cannot deny it. In Britain, for example, practically all peace spokesmen, except the "conscientious objectors," agree that that country's chief contribution to peace will be to mend its defenses in order to police the world against unprovoked agression.

It is not the British nations that have killed the league; it is the dictator-controlled expansionist countries. But, with deepest regret, the British nations have to face the new situation. They have to decide what contribution they can make to world peace. Their contribution has to be something more than a

(Continued on page 2, col. 3)

Major Oil Companies Quit Retail Business

Turning Service Stations Back to Individual Operators

SELL WHOLESALE

All the major oil companies of Canada have decided to withdraw from the retail business.

The gasoline service stations which they own will either be sold or leased to independent operators.

Retail prices will no longer be posted by the various companies as soon as this process of transfer has been completed.

As in other retail businesses, each operator will decide on the basis of tank wagon prices what prices he should charge to meet competition and make a living. The large oil companies will be producers, refiners and wholesalers and will quote only wholesale prices. Through their salesmen they will try to interest the retailer in their brands and products and back him up with the public by extensive advertising of their brands.

Only Ontario Remains

Good progress has already been made in this direction. Practically all stations have been leased within 10 days in the province of Quebec, most of them in the Maritime Provinces, nearly all in the Prairie Provinces, and the same policy is being followed out in the province of British Columbia. There is little doubt that a similar policy is under way as well in the province of Ontario and that in that province as well as in the others the oil companies desire to be out of the retail business. The largest companies had in recent years shown in any case an increasing trend to leasing. It is therefore not an untried venture to any of them.

This will be startling news to Canadians but it is not a new thing in the United States. The 5 largest companies there in the last 18 months have turned back 90% of their stations to individual operators. This move began in the first place because anti-chain store legislation in about 5 states was extended to include the service stations of oil companies. The multiple tax system adopted made the per-station tax larger for companies which had the largest number of stations. This put too large a tax burden upon the large companies and it was apparent that in such states the individual owner could operate each station more economically and profitably than could a large company.

Having started to turn back their stations in these states the companies found many unexpected advantages and adopted the policy for the whole of the United States.

May Lessen Station Totals

Canadian companies are following suit.

Large oil companies went into the retail business in the first place in pre-war days because the oil business was expanding so rapidly that service had to be increased faster than retailers were providing it. It was also felt that individual operators were charging far too large a margin of profit and that more gasoline would be sold if the prices were lower. Later it became a rush to get volume.

Far too many outlets have been created in Canada as well as the United States and one result of the new policy is expected to be that noneconomic service stations will soon give up the struggle.

Prices May Vary

Naturally, as some dealers will have greater volume than others and may be willing to accept smaller profit margins for that reason or because of other sources of income, there may be great variations for a time in retail prices. Competition will have a leveling effect.

As the large oil companies are going out of the retail business it is probable that provincial governments will now have to collect road taxes from the individual operators and may have to inspect trade practices. That may not need much change in bookkeeping as it is probable that most service stations will be leased to the employee now in charge; all the rest will then be up to him though it is likely that for some time to come an advisory service will be available for those who want it. Canadian companies are following the American method of leasing stations on the basis of the operator paying the company a certain sum per gallon sold. This naturally differs according to the desirability of a station site but in some cases it has been as low as one-half cent a gallon.

Annuity Contract Proves Gold Mine

Metropolitan Life recently sent a 33rd annual payment to its oldest annuitant who celebrated her 100th birthday June 29.

In 1903 she made a single stipulated payment of $21,821 to the company and has since received $87,285 in annual installments.

Say Herridge To Fire Leadership Guns Soon

Bennett to Retire in Near Future, Ottawa Hears

From Our Own Correspondent

OTTAWA.—In political circles the rumor persists that Rt. Hon. R. B. Bennett is likely to withdraw as leader of the Conservative party within the near future. It is said Mr. Bennett would willingly retire without delay if there were no question as to his successor. But the leadership is much in doubt and Mr. Bennett does not desire to leave his party while it is in opposition, until he is assured it will continue under aggressive guidance.

Mr. Bennett is believed to have gone so far as to consider withdrawing before the next session, in which case house leadership would probably fall to Hon. C. H. Cahan, K.C.

Already Conservative Ottawa is speculating on Mr. Bennett's successor. One small group is anxious to draft Hon. Maurice Duplessis as the Conservative "man of the hour." The strategy of the plan is that Mr. Duplessis would deliver 45 Tory seats in Quebec which would be a promising start toward victory. But the plan would also leave Protestant, Orange Ontario entirely out of the reckoning and could only be construed as an admission that Ontario has gone "hopelessly Liberal."

One obvious contender is General A. D. McRae now in the Senate, whose strongest plank would probably be his insistence that the railway problem be solved quickly and drastically in order to restore national financial solvency.

Another is Hon. W. D. Herridge, ex-minister to Washington and brother-in-law of Mr. Bennett. Mr. Herridge's campaign to capture the leadership has, Ottawa believes, already been mapped. He will fire his first guns in Toronto shortly, either at a luncheon club meeting or a Conservative party gathering. Those who profess to be in the know say Mr. Herridge's next public address, on which he has been working a large part of the summer, will be a masterly effort to win the support of 2 diverse national groups; conservative-minded Imperialists and youthful discontents.

He will come out for more adequate contributions by Canadians to Empire defense, a policy bound to be popular with many of the older men in the party. Widespread newspaper support, given to the recent aired views of Viscount Elibank on the subject has strengthened the conviction that in certain circles defense is a good campaign issue.

At the same time, Mr. Herridge is said to be planning to reiterate his previous support for extensive measures of governmental intervention in the economic sphere; for planning and regimentation as a solution of social and economic difficulties. The appeal is obviously to the New Deal type of mind.

Ottawa is of the opinion that if Mr. Herridge can successfully ride both of these horses, he has better than an even chance to capture the leadership when the party holds its next convention.

Birthday

Montreal Curb Records Progress In 10 Years

From Our Own Correspondent

MONTREAL. — Montreal Curb Market celebrated its 10th anniversary this week, trading having been initiated October 4, 1926. On the first day 27,140 shares were traded and on the same day this year 177,358 shares.

When Montreal Curb first opened, 37 public utility and miscellaneous issues and 26 mining stocks were listed, a total of 63 issues. Today there are 253 listings, including 20 utilities, 141 industrials and 92 mining issues which are divided between a listed and an unlisted section.

Loblaw Earnings Increase 16.95%

Increases of 12.46% in sales and 13.61% in earnings are shown by Loblaw Groceterias Co. Ltd. for the 4 weeks ended September 19.

Sales and Earnings

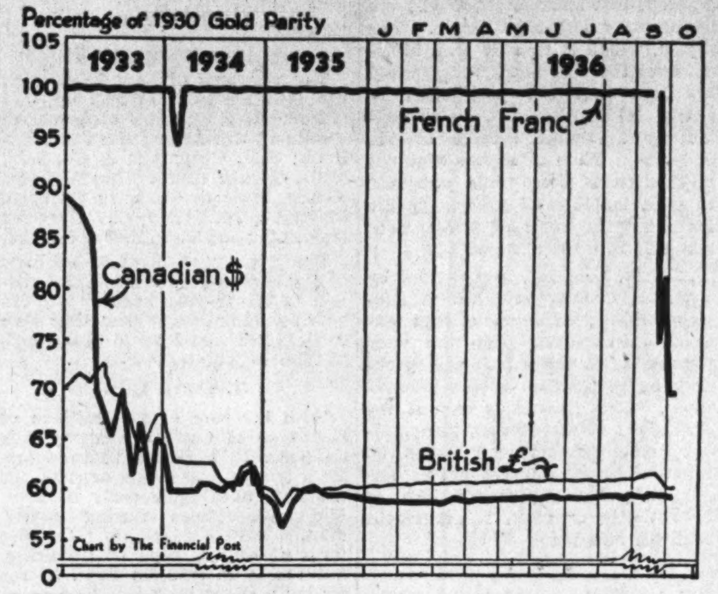
4 wks. end. Sept. 19	1936 $	1935 $	Inc. %
Sales	1,319,077	1,172,944	12.46
Profits	59,469	52,344	13.61
4 periods end. Sept. 19			
Sales	5,127,928	4,500,914	13.93
Profits	211,833	181,131	16.95

Riordon Calls Bonds To Meet Sinking Fund

From Our Own Correspondent

MONTREAL.—Riordon Pulp and Paper Co., subsidiary of Canadian International Paper Co., has called for redemption on December 31 at 103 and accrued interest, $81,000 of its 6% first mortgage bonds on account of sinking fund.

Following this redemption Riordon will have outstanding $550,800 of bonds compared with the original issue of $2.5 millions made in 1912.



DOWN TO EARTH

For years far out of line with currencies of other leading countries, the French franc has now been brought within striking distance by last week's devaluation. The long struggle to remain "on gold" had a dual effect. As the leader of the gold bloc, France's abhorrence of devaluing delayed consideration of international stabilization of currencies. In the second place, maintaining a disproportionately high value of the franc placed a severe burden upon French business and intensified political unrest.

As may be seen in the above chart, only once in the last 4 years has the franc varied materially from its gold parity, and that exception was short lived. The course of sterling and the Canadian dollar, on the other hand, fell to about 60% of pre-depression levels, where quotations have centred for the last 3 years.

Reserves Protect Mortgage Companies

Large Companies Will Not be Seriously Affected by Saskatchewan Debt Adjustment — Unpaid Interest Not Charged

Rumors to the effect that several large mortgage companies are threatened with insolvency as a result of the Saskatchewan voluntary debt adjustment scheme are entirely unfounded, The Financial Post is informed.

While the amount of unpaid interest wiped out by the lending institutions, such as loan, life insurance and trust companies, is substantial, few will be seriously affected. In most cases the companies have large reserves which will be more than sufficient to take care of losses. In addition, a large number of companies have followed the practice in recent years of not charging in their books a considerable portion of interest that is due and unpaid, which in effect amounts to setting up a hidden reserve. In other cases a specific reserve has been set up against unpaid interest.

Most in Relief Taxes

Press dispatches with regard to the scheme have led to a misconception as to the total amount being written off by the lending institutions. While the total reduction in debt under the scheme is estimated at $75 millions, The Financial Post is informed by a reliable source that about $60 millions of the write-off consists of relief loans, seed grain loans and taxes owing to federal, provincial and municipal governments. Thus the maximum amount being conceded by the lending institutions is $15 millions, and this, it is stated, is a liberal figure.

It is impossible to arrive at any definite estimate as to the amount which will have to be written off by individual companies. While figures are available showing the amount of mortgages held by the various companies at Dec. 31, 1934, in both Saskatchewan and Alberta, no division is made as between urban and farm mortgages. The Saskatchewan scheme applies to farm mortgages only and in addition affects farm mortgages differently, according to the location of the farm.

Alberta Situation

While the Saskatchewan adjustment is not expected to have serious effect on most lending companies, the Alberta situation contains grave dangers. Should the Alberta debt adjustment act be upheld by the courts the loss to the lending institutions will be serious.

The companies, however, are proceeding with their business in Alberta as if the debt adjustment act was not on the statute books.

Given below are the Saskatchewan and Alberta mortgage holdings of various companies in percentages of total mortgage investments:

MORTGAGE INVESTMENTS OF LOAN AND TRUST COMPANIES
As at December 31, 1934

	Total Mortgages Outstanding (In thousands of dollars)	Mortgages 2 Years in Arrears of Interest	% of Total Mortgages in Sask.	% of Total Mortgages in Alta.
	$	$		
Huron & Erie	32,486	12,622	26.6	8.6
Credit Foncier	38,964	not shown	13.9	7.7
Canada Permanent Mtge.	52,310	4,824	8.8	5.6
Ontario Loan & Debenture	10,515	2,606	10.5	10.8
Toronto General Trusts	15,944	not shown	35.6	7.3
National Trust Co.	13,964	5,567	18.9	17.8
Northern Trusts	2,466	1,263	33.4	36.7
Victoria Trust & Savings	6,228	621	23.9	....
London & Western Trusts	2,281	886	7.4	20.0
Royal Trust Co.	2,967	538	19.0	0.9
Trusts & Guarantee	6,993	1,546	5.7	9.5
Guelph & Ontario	3,711	702	9.9	7.0
Canada Trust Co.	7,363	465	2.4	3.8
Industrial Mtge. & Trust	2,447	1,009	10.3	3.1
Sterling Trust	1,246	201	18.8	0.2
Waterloo Trust	4,971	516	5.0	....

Shown below is the amount of mortgages held by the larger companies in both Saskatchewan and Alberta. In order to give some idea of the amount of debt that is being wiped out by these companies, interest due and unpaid is also shown.

Wherever shown, interest due but not charged has been included as interest due but unpaid. Interest due and unpaid on all mortgages is also shown and the amount of reserve held against this item is indicated by footnotes.

MORTGAGE PRINCIPAL AND UNPAID INTEREST
As at December 31, 1934

	Saskatchewan		Alberta		
	Mortgage Principal Outstanding	Interest Due But Unpaid	Mortgage Principal Outstanding	Interest Due But Unpaid	*Total Int. Due and Unpaid in Canada
	$	$	$	$	$
Huron & Erie	8,654,078	1,581,228	2,806,112	339,424	2,762,689▲
Credit Foncier	5,420,294	638,015	3,020,937	282,008	1,469,416
Canada Permanent Mtge.	4,641,112	464,689	2,972,010	286,222	1,622,918†
Ontario Loan & Debenture	1,114,356	248,590*	1,142,600	15,688*	430,997‡
Toronto General Trusts	5,684,083	1,432,601	1,165,729	89,444	1,996,089•
National Trust Co.	2,651,394	701,763	2,493,662	234,723	1,500,562••
Northern Trusts	824,820	190,409*	907,363	240,187*	508,300■
Victoria Trust & Savings	1,492,240	169,208	......	......	285,699
London & Western Trusts	170,860	19,696	456,707	5,169	122,790‡‡
Royal Trust Co.	565,149	198,394*	28,179	28,185*	240,111†‡
Trusts & Guarantee	399,637	144,130*	668,153	105,173*	684,838†‡
Guelph & Ontario	370,824	45,256	260,763	30,141	106,248*†
Canada Trust Co.	181,062	29,592	282,990	22,689	164,739†‡
Industrial Mtge. & Trust	253,205	73,182*	76,043	18,125*	226,903††
Sterling Trust	234,590	36,128	2,192	146	58,242
Waterloo Trust	249,008	91,826	......	......	144,733•••

* Includes interest due but not charged.
▲ Includes interest due and unpaid and not taken into account of $1,491,835.
† Reserve of $640,245 held against unpaid interest.
‡ Includes $319,593 of interest not charged; against balance of $111,404 a reserve of $84,338 is held.
• Includes reserve of $1,143,882
•• Includes reserve of $1,127,100.
■ Includes interest not charged of $336,086; $15,582 interest on real estate held under power of sale; and reserve of $107,226.
‡‡ Includes interest not charged of $89,718.
†‡ Includes interest not charged of $231,700 in the case of Royal Trust Co.; Trusts & Guarantee, $348,757; Canada Trust Co., $79,538.
*† Includes reserve of $30,000.
†† Includes interest not charged and reserves of $88,663.
••• Reserve of $65,000 held against this item.

Improves Position of Companies

While the Saskatchewan scheme provides for wiping out of some unpaid interest and for a reduction in interest on outstanding mortgages to 6%, the plan is expected to improve the position of the lending companies. As a result of the wiping out of prior liens held by the government and the easing of the burden of unpaid interest on the mortgagor the position of the mortgages will be materially improved. Furthermore it is expected that collections will improve so that it will not be necessary to set aside as large a reserve in the future against unpaid interest.

Details of the amount of mortgages held by the various insurance companies in Saskatchewan and Alberta are not available. However, total mortgage investments of all insurance companies in these provinces are shown in the tabulation below.

Mortgages Held by Life Insurance Companies
As at December 31, 1934

	Mtge. Loans Outstanding	Mtge. Loans one or more yrs. in arrears
	$	$
Farm:		
Alberta	19,231,086	[illegible],834,[illegible]31
Saskatchewan	3[illegible],11[illegible],067	31,688,[illegible]1
Canada	68,[illegible]35,159	48,691,656
Other:		
Alberta	8,175,319	479,322
Saskatchewan	13,011,233	2,077,831
Canada	329,896,019	19,362,540

Oil Companies' Expenses Rise Profits Drop

Imperial and B. A. Oil Gains Abroad Restore Totals

TAXES HIGHER

Blotter sent with the current dividend cheque on British American Oil Co. common stock reveals that the company is having lower net earnings in 1936 on its sales in Canada and that its fortunate venture in crude oil production in the United States is giving a greater profit than was expected. The United States profit will more than offset the drop in profit in Canada.

The experience of British American Oil Co. is typical of the Canadian industry as a whole. It is understood that Imperial Oil, though having a larger volume of domestic sales as has British American Oil Co., is earning less than in 1935 but making up for it in larger profits abroad. The causes of this lower realization on sales are given by J. C. Millar, treasurer of British American Oil Co., as being increased price of crude oil and materials, increased Federal and provincial taxation, lower tariffs and sale price adjustments.

Drastic Price-cutting

These apply to all Canadian oil companies. Prices are no longer quoted in the province of Quebec, each operator now deciding on his own scale of prices. The St. Lawrence Oil Co., which started the competitive price war in Montreal with Roumanian gasoline which it is importing under the lower duties, is now meeting exactly the same competitive prices from near-by dealers that it charges and in some cases even lower. The company recently proposed to start operations in Toronto on the same plan followed so spectacularly in Montreal. Even in Toronto prices have dropped very low and are at present lower before taxes than they are in Tulsa, Oklahoma, in the heart of the petroleum field. In the Prairie Provinces and the Maritimes gasoline has also been reduced one cent a gallon in 1936 and in British Columbia there is a price war going on. Montreal prices are at cost and Toronto's not much higher.

A New Policy

The Maritime Provinces, and recently Quebec and Alberta, have passed rather stringent laws regarding licensing of gasoline stations and inspection of products. As the number of outlets is far too great for economic operation of many of them, some of these laws are regarded by the industry as justified but they have not so far resulted in any noticeable elimination. In fact, more have been opened in 1936 in each province. It is no longer a matter of immediate concern to the large companies. They will in future be landlords for service stations but not proprietors.

Company Profits Up 30 Per Cent

An increase in profits of Canadian corporations of approximately 30% during 1935 is indicated by federal income tax returns for the first 6 months of the government fiscal year.

Out of $79.6 millions collected, $44.8 millions was from corporations and $30.5 from individuals, according to a breakdown of income tax returns made available to The Financial Post. The remainder ($4.3 millions) was from the special 5% dividend tax.

Comparison of these figures with corresponding figures for the same period of last year discloses that income from individual taxpayers rose 9% during the year and that corporation returns soared almost 40%.

However, this very substantial gain in corporation returns is due, in part, to the fact that the rate on corporations was increased from 13½% to 15% or an increase of 11%. Allowing for this 11% gain in tax rate it is seen that taxable corporation income rose almost 30% during 1935 — the year to which these figures apply.

The gain in income subject to the 5% tax is about 23%.

Comparative figures follow:

Income Tax Receipts
(April 1 to Sept. 30, 1936)
(000's omitted)

	$	Incr. over yr. ago $
Individuals	30,525	2,553
Corporations	44,818	12,520
	75,344	15,074
5% tax	4,314	817
Total	79,659	15,892

Highlights

$80 Millions More

New burdens are added to mounting relief costs through demands for social aid and "Hit and Miss System" of expenditure. Why? Page 16

"If"

New prosperity lies ahead for Canada and Canadian mining areas, says Stephen Leacock—if taxation does not halt the upward trend. Page 3

Solvent Alberta

Elliott-Walker survey reveals province can pay its debts as "economically and fiscally solvent." Page 9

How Good Is Gold?

Ancient medium of wealth proves its worth in period of economic storms. Page 15

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Lake O'Woods To Bring Out Strong Report

Will Show Healthy Gain in Earnings—Board Considers Preferred Arrears

From Our Own Correspondent

MONTREAL.—Lake of the Woods Milling Co. financial statement for the year ended August 31, which is scheduled to make its appearance before the end of the month, will show a marked improvement both in income and balance sheet position.

Final details have not been settled as yet, but after making liberal allowance for depreciation and other reserves, provision for taxes, etc., the amount available for distribution on the capital stock will be well ahead of that reported in 1935.

Larger Share Earnings

Rumors are that the company will show as much as $4 a share on the common stock before considering arrears of dividends on the preference shares. There is no official confirmation of this report. As far as can be determined at this time profits may not be so high, still they will be well above that reported in 1935.

Signs have not been wanting that earnings of the company over the

(Continued on page 2, col. 4)

Alberta Likely to Refuse Requested Commission

The Alberta Government is more likely than not to refuse the request of the bondholders' committee for an impartial commission of enquiry into the provincial economy and into capacity of the province to meet its debts. This is the belief expressed in well-informed quarters.

Reports and recommendations of bondholders are expected to be disregarded by the Aberhart Government.

This week Premier Aberhart indicated in a political address that the government would decline the suggestion of the bondholders' committee that full interest be paid.

Refusal of such a commission, it is believed, would put the Alberta problem up to the Dominion Government, and pressure would be renewed at Ottawa to have Alberta's repudiatory legislation disallowed. If the request for a commission is refused, it would be interpreted as indicative of unwillingness rather than incapacity of Alberta to pay, so that disallowance by the Federal Government would be the last refuge of creditors.

Details of the reports demonstrating that the government is capable of paying full bond interest appear on page 9.

Big Contract To Donnacona From Hearst

Will Take 25,000 Tons Annually Over the Next Five Years

PRICE SITUATION

From Our Own Correspondent

MONTREAL. — Canada's newsprint industry registered an increasing tempo this week with the news that the Hearst newsprint buying organization had contracted with Donnacona Paper Co. for a supply of 25,000 tons of newsprint annually over the next 5 years.

This is by far the most important contract on the books of Donnacona and definitely takes that company out of its "short" position, as the new order amounts to about one third of the company's annual rated capacity. With the business already in hand, Donnacona will be able to keep its plant operating at a relatively high level for some time to come.

No particulars are available as to the price at which this business was accepted. The "official" price for 1937 deliveries is $42.50 in the New York or Chicago zones. It is possible net return to the company may be somewhat under this figure, but it is of little moment as Donnacona is not a price fixing mill.

More Contracts to Come

Hearst had about 200,000 tons of newsprint contracts expiring this fall. This business was jointly handled by International Paper, Consolidated Paper and Brompton and smaller American mills.

It is generally understood within the industry that Hearst has contracted to take 50,000 tons of European newsprint for delivery next year. The Donnacona contract is the first of the new contracts to be made with a Canadian producer. As far as the other 3 Canadian companies mentioned are concerned, it is expected steps will be taken shortly to enter into new contracts. At this time, of course, there is no indication as to how the tonnage will be divided.

Meantime there is increasing strength among Canadian manufacturers to maintain the new price structure. The heavy blocks of newsprint tonnage overhanging the market have been unsettling, but there are no indications of any "breaking from the ranks."

Fundamentals Favorable

Trend of consumption continues along favorable lines and the expectation of a spot market in the near future appears promising. Figures on production and shipments indicate that the North American mills are not far short of their effective capacity and if the anticipated increase in United States consumption takes place, a spot price for newsprint above the contract price is a better than fair possibility within the next 6 months.

One Eastern mill, Pejepscot Paper, raised the spot price of newsprint September 1 by $1.50 to $42.50 a ton. Though the tonnage controlled by Pejepscot is small, the action taken by this American producer is regarded as significant by Canadian operators.

Coast Producers Act

Out on the Pacific Coast, producers have advanced the contract price on 1937 deliveries to $42.50 a ton. Crown Zellerbach—second largest newsprint producer in the United States—is reported to be quoting a spot price of $46 a ton—the first Pacific Coast spot price fixed in several years. One reason for reviving the spot price was the possibility of coast maritime labor troubles interfering with normal movement of newsprint supplies.

Powell River Co., operating in British Columbia, has indicated its intention of following the action taken by Crown Zellerbach.

Hitherto western prices have usually lagged somewhat behind those prevailing in the East. The stiffening of prices in that area, therefore, is regarded as a favorable sign for the manufacturers.

American Market is Key

The American market remains the crux of the price situation. Great Northern Paper's action in setting the price for 1936 deliveries by an advance of $1 a ton, and again on 1937 deliveries by an increase of $1.50 a ton, was disappointing to Canadian operators, who had looked forward to a more substantial increase.

Great Northern is a price-fixing mill, having a capacity of 100,000 tons or more a year, and for that reason other companies have had to adopt the same price policy. The establishment of a spot market for newsprint in the East during 1937 would so strengthen the hands of the industry that Great Northern might find it difficult, if not impossible, to continue its blocking tactics when the price for 1938 comes up for consideration.

Pitfield & Co. Review Outlook for Noranda

In a comprehensive analysis of Noranda Mines Ltd., Pitfield & Co., members of the Montreal Stock Exchange, estimate 1936 earnings for this Quebec copper-gold producer will be somewhat between $3.85 per share and $4.25 per share, based on first and second quarter earnings of 87 cents and $1 per share respectively.

MEN'S SHOP

A Sporting Proposition... the "Grenfell" Jacket

A host of golfers and other sportsmen have found them ideal for active outdoor sportswear in all seasons. The Men's Shop, Eaton's-College Street, features an extensive selection of Grenfell cloth jackets, with full zipper front, smartly styled in a choice of blue, fawn, chocolate, wine and brown. Sizes 36 to 44

EACH 10.95

Out of town customers write T. Eaton Co. Shopping Service.

MEN'S SHOP

BAY STREET SECTION

EATON'S - COLLEGE STREET

FOR THE *Daily Caress*

During your life you'll shave some 18,000 times. Let a Rolls Razor make each one of these shaves a daily caress. The hollow-ground Rolls blade, kept to the pitch of perfection through automatic stropping and honing, simply whisks off your whiskers. Get that happy smile. Get a Rolls.

Rolls

THE WORLD'S BEST

razor

Rolls Shaving Bowls $1.00 Refills 60c

45

Imperial and Pete Listed on Big Board

On Thursday, October 8, Imperial Oil and International Petroleum common stocks will be listed for the first time on the regular board of the Toronto Stock Exchange. Hitherto trading in these important stocks has taken place on the Toronto Curb. Most broker members have felt it to be an anomaly that two of the most important stocks traded in, in Toronto should be on the Curb. They are therefore pleased.

COME TO THIS GOLDEN LAND

Zebra and Wildebeests in the Kruger National Park.

Surf Bathing at Durban.

THRILLS OF THE PRIMITIVE IN CIVILIZED COMFORT

SOUTH AFRICA

A TOTALLY different holiday awaits you! In a land of unfailing sunshine—where civilized comforts may be yours in a setting of nature's exotic marvels—where summer-in-winter beckons the northern traveller!

Here you may find the perfect escape from hum-drum care. The ancient mystery of the Zimbabwe Ruins; the solemn grandeur of the Victoria Falls; the Kruger National Park, where you may drive safely amid lions and all the strange beasts of Africa; the Cango Limestone Caves, the Kimberley Diamond Mines, the Rand Gold Fields, excite your curiosity and wonder.

In striking contrast you may find the ultimate in modern comfort and civilized pleasures. For the man who cannot forget business, opportunities abound in South Africa. Thriving, busy cities attest to the fact that South Africa is today the most prosperous country in the world. Golf, the theatre, fishing, the races or the Riveria-like beaches on the coast offer diversion and relaxation.

Yet this truly different holiday is as easily arranged as an ordinary business trip. Particulars can be secured from any leading travel agency.

The Nation's Business

(Continued from page 1)

discussion of the technical clauses of the league covenant.

It's a most unpleasant set of facts we face but they cannot be ignored.

• • •

Europe May Soon Buy More Wheat

DISAPPEARANCE of the gold standard from Europe is paving the way for renewed international trade. Devaluation of the franc and the lira was accompanied by sweeping tariff reductions on many imports. The natural effect of devaluation should have been a prompt rise of internal prices of many commodities. But the cost of living in Italy and in France has been so high that additional food costs cannot be imposed on the people. To keep prices from rising unduly is necessary if order is to be maintained. Admitting low-priced food, such as the wheat and flour Canada has to offer, is one of the easiest methods of keeping prices down to a reasonable level. Tariff reductions alone, of course, will not bring about a revival of such imports, but must be accompanied by an enlargement or elimination altogether of the quotas many European countries have established against foreign food products.

Assuming such is done, can the countries in question find means of paying for such imports? Not on the basis of their export trade in recent months. But the lower values of their domestic currencies should enable them to export on better terms.

• • •

EUROPEAN food policy for a long time has been directed apparently in the interests of the producer, although probably more than has been realized with an idea of protecting the exchange situation. Food prices were made as high as the traffic would bear, in order to get a maximum home production that would leave the countries free of any necessity of imports. Now, apparently the interests of the consumer are going to demand more attention than they have had, while the necessary exchange policies may be to encourage rather than to strangle trade. As part of the change there may be a decline in that uneconomic portion of European wheat production which has only been maintained by prices which must have been felt as extravagantly high, and even as cruelly high, by consumers.

The government of Canada recently adopted a much more sensible policy than had previously been pursued by the government so far as wheat is concerned. It may be that other countries also are about to have more sensible wheat policies, and that Canada is to have the distinction of having led the world in this direction. Since Canada has a greater interest in world wheat trade than has any other country, that would be a very satisfactory distinction indeed.

• • •

Alberta's Laws Not Necessary

THE report on Alberta's financial condition, made to the bondholders' committee, is a monumental treatise on the economic and financial position of the province. It is admirable for its logical reasoning and the restraint with which it urges the province to honor its obligations for the future good of Alberta. So, too, is the statement made by the bondholders' committee in presenting the report to the government.

Important is the suggestion by the bondholders that an impartial commission be appointed to examine the data and evolve a plan to see Alberta through. It would be only reasonable for the government to follow out this suggestion before proclaiming the legislation that provides for a permanent reduction of interest on Alberta bonds. If the government refuses such a test of its claim that the province is unable to meet full debt charges, it will demonstrate that unwillingness to pay, rather than incapacity to pay, lies behind the government debt policy.

• • •

UNFORTUNATELY for Alberta and its bondholders, the government appears determined to cut its interest payments without reasonable discussion. The report may not go far toward convincing the government that interest reductions are unnecessary and inadvisable. The report, which has justly won international acclaim, takes for granted the fact that net production of goods and services in Alberta constitutes the total income of the province. Then it shows that net production is more than adequate to meet the bills of Alberta people including the costs of government and full interest charges.

Alberta, however, is governed by a Social Credit party which supposes that production always exceeds consumption. So the very foundation of the report will probably be questioned by the government. This illustrates one of the difficulties of discovering independent commissioners who would be regarded by the government as "impartial." Mr. Aberhart's idea of impartiality or truth is agreement with his own ideas.

• • •

IN A situation as fantastic as this, the Dominion Government has a grave responsibility to investors in Canada abroad and a greater responsibility to the other 8 provinces. It is the duty of the Federal Government to maintain honest and constitutional government for the protection of the country as a whole against the paranoiac politics of irresponsible provincial governments.

Alberta's unconstitutional and repudiatory laws should be disallowed by the Dominion. The alternatives are bankruptcy for Alberta to the benefit of no one, or secession by that province. Failure of the Federal Government to disallow Ontario's legislation repudiating its hydro contracts is no excuse for evasion of this new responsibility. Ottawa should have disallowed the Ontario repudiation, as The Financial Post said at the time.

The Dominion's policy with regard to illegal usurpation of its powers and the defrauding of investors by the Aberhart Government is apparently based on the supposition that inevitable disaster will teach Alberta a lesson. At best this is a dangerous guess. It gives time for destruction of values and loss of income, and sorely hampers economic recovery in important areas. It may supply precedent for other equally costly political experiments by the provinces without regard to national interests.

It is no longer a question of whether disallowance will make a social credit martyr out of Aberhart but whether inaction at Ottawa will not sacrifice Canadian recovery.

Dividends Declared

	This payment	Date payable	Date of record
Anglo-Can. Tel. pf.	87½c	Nov. 2	Oct. 15
Asnaszu Gold	†5c	Oct. 20	Oct. 9
Brewing Corp., pf.	37½c	Oct. 15	Sept. 30
Brantford Cord, pf.	32½c	Oct. 15	Sept. 19
Brewing Corp., pf.	37½c	Oct. 15	Sept. 30
Bralorne Mines ..	10c	Oct. 15	Sept. 30
Do., extra	5c	Oct. 15	Sept. 30
B. C. Power, A ...	40c	Oct. 15	Sept. 30
Bell Telephone ...	$1.50	Oct. 15	Sept. 23
Bruck Silk Mills ..	‡10c	Oct. 15	Sept. 25
B. C. Tele. 2nd pf.	$1.50	Nov. 2	Oct. 17
Beatty Bros., 1st pf.	$1.50	Nov. 1	Oct. 15
Buff. Ankerite	5c	Nov. 15	Nov. 1
Cosmos Imp. Mills	$1.25	Oct. 15	Sept. 30
Can. Indus., A & B	$1.25	Oct. 31	Sept. 30
Do., pref.	$1.75	Oct. 15	Sept. 30
Can. Nor. Pwr. ..	30c	Oct. 26	Sept. 30
Do., pref.	$1.75	Oct. 15	Sept. 30
Can. Iron Fd., pf.	$1.50	Nov. 15	Oct. 31
Can. Bronze	25c	Nov. 2	Oct. 20
Do., pref.	$1.25	Nov. 2	Oct. 20
Can. Fairbanks, pf.	$1.50	Oct. 15	Sept. 30
Can. Gen. Invest.	12½c	Oct. 15	Sept. 30
Can. Silk Prod., A	37½c	Sept. 30	Sept. 15
Dome Mines	50c	Oct. 20	Sept. 30
East. Steel, c.	$1	Nov. 2	Oct. 16
Guar. of N. A. ...	$1.50	Oct. 15	Sept. 30
Do., extra	$2.50	Oct. 15	Sept. 30
Gt. Lakes Pwr., pf.	$1.75	Oct. 15	Sept. 30
Imperial Bank ...	$2.50	Nov. 2	Sept. 30
Int. Nickel, pfd. ..	$1.75	Nov. 2	Oct. 3
Inter. Milling, pf.	$1.25	Oct. 15	Oct. 3
Invest. Found., pf.	37c	Oct. 15	Sept. 30
Do., arrears	13c	Oct. 15	Sept. 30
Little Long Lac ..	10c	Oct. 20	Oct. 5
Montreal Tele. ...	80c	Oct. 15	Sept. 30
McColl-Fron., pfd.	$1.50	Oct. 15	Sept. 30
M. L. Gardens, pf.	35c	Oct. 15	Oct. 1
Mtl. L. H. & P. ..	37c	Oct. 31	Sept. 30
Montreal Tram ..	$2.25	Oct. 15	Oct. 3
Nat. Biscuit	40c	Oct. 15	Sept. 11
N. B. Tele., c.	12½c	Oct. 15	Sept. 30
N. S. Trust	$2.50	Oct. 15	Sept. 30
Penmans	75c	Nov. 16	Nov. 5
Do., pref.	$1.50	Nov. 2	Oct. 21
Power Corp., pf. ..	$1.50	Oct. 15	Sept. 30
Do., 2nd pf.	75c	Oct. 15	Sept. 30
Premier Gold M. .	3c	Oct. 15	Sept. 15
Do., extra	1c	Oct. 15	Sept. 15
Rolland Paper, pf.	$1.50	Dec. 1	Nov. 14
South. Can. Pr., pf.	$1.50	Oct. 15	Sept. 19
Smith Howard, pf.	$1.50	Oct. 15	Sept. 30
Steel of Can.	43¾c	Nov. 2	Oct. 7
Do., pref.	43¾c	Nov. 2	Oct. 7
Sheep Creek Gold.	2c	Oct. 15	Sept. 30
San Antonio Gold‡.	7c	Oct. 10	Sept. 21
Saguenay Pr., pf..	$1.37½	Nov. 1	Oct. 15
Tamblyn, c.	†20c	Jan. 1, '37	......
Tuckett Tob. pf. ..	$1.75	Oct. 15	Sept. 30
Tor. Elevators, pf..	$1.75	Oct. 15	Oct. 1
Un. Bond & Share	10c	Oct. 15	Sept. 30
Do., extra	15c	Oct. 15	Sept. 30
Un. Gold Equities.	3c	Oct. 15	Oct. 5
Unit. Secs.	50c	Oct. 15	Sept. 25
West. Grocers ..	50c	Oct. 15	Sept. 20
Do., pref.	$1.75	Oct. 15	Sept. 20
Westm'ster Pap., c.	20c	Nov. 1	....
Weston, Geo.	$1.25	Nov. 2	Oct. 20

‡Interim. *On arrears.
†Initial.

To Bring Out Strong Report

(Continued from page 1)

past 12 months have been on a much improved basis. As a result market value of the company's preferred and common stocks has advanced substantially. From a low of 7 in 1935, the common advanced to a high of 18½. This year the range has been from 16½ to the current level of 36.

Gain in the market value of the preferred has been even more impressive. The stock advanced from 80 to 125 in 1935, and this year from a low of 123 to the present level of 160.

The preferred stock, which is non-redeemable, carries a cumulative rate of 7%, so that the yield on current bids is around 4.4%. This is relatively low, but the high value is based on prospects of an early decision in respect to dividend arrears which amount to $28 a share.

A current report is that Lake of the Woods plans to pay off these arrears through the distribution of $14 in cash and ½ share of common for each share of preferred.

This is only surmise. Consideration is being given by the directors to the matter of dividend arrears, but no plan has been adopted.

Abitibi Paper 5%/53
Canadian International Paper 6%/49
Canada Steamships..6%/41
Cities Service 5%/69
Consolidated Paper 5½%/61
Dominion Gas and Electric 6½%/45
Donnacona Paper 3-4-4½%/56
Great Lakes Paper..5%/55
Massey Harris 5%/47

Our new analysis of 22 dividend paying gold stocks selling from .60c. to $8.00 is ready for distribution.

H. J. Dingman & Co. Ltd.

Unlisted Securities
Established 1906
347 Bay Street, Toronto 2, Canada

Siscoe Production Sets New Record

From Our Own Correspondent

MONTREAL.—Siscoe Gold Mines again topped its previous production record during September, with an output valued at $210,316. This is in contrast with a previous high in August of $208,207 and with $190,043 in September, 1935.

Bond Sales

New Brunswick

The province of New Brunswick has sold an issue of $3.5 millions of bonds to a syndicate composed of Bank of Nova Scotia; the Dominion Bank; Bell, Gouinlock & Co. Ltd.; Mills, Spence & Co. Ltd.; McLeod, Young, Weir & Co. Ltd.; Cochran, Murray & Co. Ltd.; Irving, Brennan & Co. Ltd.; and T. M. Bell & Co. Ltd.

The issue consists of $2 millions of 2¾% 10-year bonds, and $1.5 million of 3% 15-year bonds. The 10-year bonds are being offered at 98.25 to yield 2.95%, and the 15-year bonds at 96.50 to yield about 3.30%.

Treasury Bills

With the sale of $20 millions of Dominion of Canada treasury bills on Sept. 30 a stiffening in short-term money rates was evident for the first time since early in May. Successive issues during recent months have chalked up new lows for cost of this type of financing, but the issue sold on Sept. 30 recorded a slight increase. The average price for the issue was 99.82918 which is equivalent to an average cost to the government of 0.686%. This compares with an average cost of 0.643% for the previous issue sold on Sept. 15.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.30	4.50
Can. Invest. Fund	4.50	4.80
Grouped Income	6.49	7.10
Can. Equity	13.50	...
Can. Int. Trust Modified ..	5.50	6.00
Do., Unmodified	5.00	5.50
All Can. Com.	12.90	13.75
Trans. Canada	12.80	13.60

Windsor Officials Oppose Refunding

Declare Budget Provisions Are Inadequate for Future

The Windsor refinancing scheme is meeting with considerable opposition from civic officials in the public hearings before the Ontario Municipal Board. The hearing has been in process for over two weeks and a number of witnesses are yet to be heard. It will be some time following completion of the hearing before the decision of the board is handed down.

The main contention of Windsor officials has been that the provision with regard to increasing the budget will prove too serious a handicap to the city.

Another objection to the scheme has been made by T. Stewart Lyon, chairman of the Hydro-Electric Power Commission of Ontario. He objected to inclusion of the city's hydro debentures in the scheme since the hydro is in a position to meet its bond interest. Mr. Lyon charged that the assets of the city hydro commission were being used to pay off debts incurred by departments of the municipality.

Inter. Metals Makes Profit

International Metal Industries, manufacturers of gasoline pumps, storage tanks, air compressors, oil burners, etc., which had a heavy loss of $606,531 in 1935, is understood to have earned the dividend on $4.5 millions of 6% preferred stock in the first half of 1936.

Costs were greatly reduced at the end of 1935. Unprofitable lines were stopped and personnel and physical equipment reorganized with beneficial results. Total arrears on preferred at the end of this year will be $26.75 a share. Yearly requirements on preferred are $270,000.

Working capital is considered very strong.

Foreign Exchange

In view of widespread currency adjustments, it was only to be expected that foreign exchange markets should be somewhat disorganized. It is probable that they will remain sensitive for some time until the proper relationships between the various currencies have been worked out.

Interest continues to centre about the dollar-pound-franc triangle. For some time it has been felt that sterling has been overvalued in terms of the American dollar, and that the dollar has been undervalued in respect to most other countries. Some measure of reconciliation was effected this week in respect to the first of these, with sterling dropping to within striking distance of its former $4.87 parity. Many consider that eventually the dollar and the pound will fluctuate in the neighborhood of the pre-depression ratio, with stabilization fund operations designed to maintain that relationship.

Latest recruit to the devaluation ranks, Italy has cut the gold content of the lira from 7.919 to 4.677 grams. The former content, however, had not been effective since the United Kingdom abandoned gold in 1931. The new devaluing decree, unlike those of the gold bloc countries, sets a definite parity. The rate is quite elastic, nevertheless, as the government is empowered to vary it within a 10% limit either up or down. The measure, while not unexpected, was rather more sweeping than had been anticipated.

Czechoslovakia is a probable addition to the list.

Some of the South American republics also consider that this is a likely time to readjust their currencies.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Sept. 29	Sept. 30	Oct. 1	Oct. 2	Oct. 3	Oct. 5
U. S. dollar, High	.5906	1.00 1/32	1.00	1.00	.99 31/32	.99 31/32	.99 31/32
Low	.5906	.99 31/32	.99 31/32	.99 31/32	.99⅞	.99⅝	.99⅞
1935 High	.5906	1.01⅛	1.01¼	1.01 1/16	1.01 31/32	1.02	1.02 1/16
Low	.5906	1.01 1/32	1.01 1/16	1.01 1/32	1.01 1/32	1.01½	1.01 31/32
U. K. pound	4.8665	4.95½	4.94¾	4.93½	4.92⅝	4.92⅝	4.91⅝
Argentina	.4246	.2810	.2795	.2800	.2798	.2798	.2800
Australia	4.8665	3.9571	3.9500	3.9391	3.9356	3.9356	3.9261
Austria	.1407	.1889½	.1890	.1889½	.1888½	.1887¼	.1886½
Belgium	.1392	.1691½	.1692	.1690½	.1682½	.1678	.1681½
Brazil	.1963	.0594¾	.0585	.0584½	.0584½	.0584¾	.0590
Czechoslovakia	.....	.0413¼	.0413½	.0413	.0412¼	.0412¾	.0411
Denmark	.2680	.2213	.2211	.2204½	.2201	.2202	.2197
France	.....	.0549⅞	.0490	.0490	.0466	.0467	.0467⅛
Germany	.2382	.3969	.4020	.4018¾	.4018¼	.4020	.4022
Greece	.....	.0092¼	.0092¼	.0091¼	.0090⅝	.0091	.0091
Holland	.4020	.5598	.5505	.5418	.5340	.5289	.5252½
Hungary	.1749	.1979¾	.1980	.1979	.1978½	.1977	.1979
India	.3650	.3769	.3770	.3761½	.3752½	.3752	.3750
Italy	.....	.0780	.0775	.0774½	.0759¾	.0764	.0526¼
Japan	.4985	.2899	.2895	.2889	.2877¼	.2873	.2879
Jugoslavia	.1929	.0229½	.0229½	.0230	.0230	.0230	.0220½
New Zealand	4.8665	3.9889	3.9820	3.9708	3.9673	3.9673	3.9578
Norway	.2680	.2491¼	.2488	.2479	.2477	.2477	.2472
Poland	.1122	.1890	.....	.1890	.1889	.1889	.1890
South Africa	4.8666	4.9310	4.9228	4.9091	4.9047	4.9047	4.8929
Sweden	.2680	.2556½	.2553	.2544	.2541	.2542	.2536
Switzerland	.....	.2309½	.2305	.2303	.2300	.2298	.2298
Hong Kong	.5422	.3083	*.3085	.3068	.3067	.3071	.3066

H. K. VIPOND

GEORGE P. WATT

Mr. H. K. Vipond has been appointed to the Montreal Office of Gairdner & Company, Limited, as Retail Sales Manager.

Gairdner & Company, Limited, have long been active in the institutional field in this market, Mr. George P. Watt being the resident partner in Montreal. The appointment of Mr. Vipond as Retail Sales Manager marks their entrance into retail sales activity in Montreal and Quebec.

Mr. Vipond has had a long and wide experience in the investment business. Following his return from overseas, he joined the firm of Aemilius Jarvis & Company. While with that Company he acquired experience not only at the Head Office but in the New York Office and other sales territories. Mr. Vipond later became one of the original directors of Cochran, Hay & Company and from 1927 was active in their Toronto Head Office.

Mr. Vipond's experience has included an intimate knowledge of stocks as well as bonds and during the past year he has been associated with Gairdner & Company, Limited, representing them in Western Ontario.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Kings County, N.S.	Sept....	Cornell, MacGillivray	3½%	10-yr.	$30,000	101.87	.....
Windsor, N.S.	Sept....	Locally	4%	......	7,000	102.50	.....
Dominion—							
Treasury Bills	Sept....	....	...	Dec. '36	25,000,000	99.82	.686%
Provincial—							
Quebec	Oct....	W. C. Pitfield & Co., and Syndicate	1%	1938	12,000,000	*100.	1%
			1¼%	1940	12,000,000	*99.	1¼%
			2½%	1944	12,000,000	*100.	2½%
			3%	1951	15,000,000	*99.	3.08%
New Brunswick	Oct....	Bank of Nova Scotia and Syndicate	2¾%	10-yr.	2,000,000	*98.25	2.95%
			3%	15-yr.	1,500,000	*96.50	3.30%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
G. Tamblyn	Sept....	Cochran, Murray & Co., and Syndicate	....	Com.	88,000 shs.	16.	.....
Bond Issues—							
Rolland Paper Co.	Oct....	W. C. Pitfield & Co. and Syndicate	3, 3½, 4% Ser.		$750,000	.....	.....
			4½%	1951	1,400,000	99.50	4½%

*Offering price.

Head Office Montreal

Covering Canada . . . and Knowing Conditions.

MODERN, EFFICIENT BANKING SERVICE . . . . *the outcome of 118 years' successful operation.*

BANK OF MONTREAL
Established 1817

The Store for Men.

Authentic Riding Boots from England

In the spacious new Shoe Department for men at Simpson's . . . you will find correct riding boots imported from "Allen and Caswell" of Kettering, England. Styled on authentic lasts, they are characteristically English in every detail. The quality of the leathers is in keeping with the skill of the craftsmanship. At 14.50 to $22.

Boot hooks, jacks, spurs and crops also featured.

Simpson's

New Shoe Department — Street Floor Opposite City Hall

"Select Comfortable Shoes in Comfort!"

EFFICIENCY costs less

The remuneration for executors is fixed by Law.

As no two estates are alike, the amount allowed by the Judge in one case would not apply in another. The main thing to consider is that every executor is entitled to compensation.

An individual executor is subject to the usual financial and health hazards. His sources of information are restricted. There are limitations to his training and experience. Generally, he is busy with his own affairs.

This Company, as executor, administers estates with the seasoned judgment of a group of trained officers. Its financial status is secure. Its experience is the result of 35 years of estates administration.

The CANADA TRUST COMPANY

London, Toronto, Hamilton, Windsor, St. Thomas, Chatham, Winnipeg, Regina, Edmonton, Vancouver, Victoria.

Our Gathering Financial Crisis

Canada's Salvation Is in Rising Prices

Sane Policies for Railways and Taxation Will Help

MINES TO AID

By STEPHEN LEACOCK

There are in Canada, for its salvation, certain obvious and powerful factors of recovery. No doubt the consciousness, at the back of the public mind, that these factors exist, helps to promote public indifference.

Blank-Stoller photo
STEPHEN LEACOCK

In the first place, no one believes that the hard times are here to stay. Everyone expects that we are certain, sooner or later, to "round the corner" and re-enter a period of expanding business, bumper crops, tidal immigration, and the whole setting of our lost elysium. We move on waves, not, as in England, on a broad slow flood. Now one doesn't make a wave. One waits for it. Hence the typical Canadian attitude of waiting to be lifted up and washed forward. Such a rising tide of big business and upward prices could easily wash out half our debt in a decade.

We'll Win

After candidly portraying the gathering financial crisis which faces Canada in his previous articles, Stephen Leacock, brilliant economist, closes his series here with a strong note of confidence.

Provided this country sanely and courageously faces its railway and taxation problems, Professor Leacock sees us easily shouldering our burdens.

Rising prosperity, plus still greater wealth from our once despised north country, he argues, will bring us well out of the financial morass now threatening.

But taxation, he warns, must not be allowed to impede recovery.

Stop Railway Nonsense

More than that — our greatest curse—the strain of the railway system—is one that could be alleviated at once if treated on the ordinary principles of bankruptcy. All that is needed is ruthless honesty and the facing of facts. Close up the railway where it doesn't pay; turn in the cows on it; forget it. Add up the accumulated debt and call it part of the debt of Canada; drop the silly pretence that the debt of the railway system is its own concern. Stop the crazy competition with the C. P. R., a competition of mere spite and public extravagance. Put over the Canadian National Railways a board of trustees whose job and salary depend on whether they operate at a loss or a profit—and the thing is done.

Amalgamation Either Way

Give them the right to arrange things with the C. P. R. so as to prevent duplication of service. There is no danger of cheating the public; the Government still controls rates. An understanding of this sort would make it possible to amalgamate the C. P. R. with the Government system, painlessly and instantaneously, by buying out its shareholders, or else by buying out the Canadian National Railways system and making it part of the C. P. R. But unless something organic and definite is done, there will be written into Canadian financial history a blacker chapter than the dirtiest page of the past.

But Keep it Honest

The basis of the decision (Mr. Taft dissenting) which in 1922 turned over the Grand Trunk Railway to the Government was that if a railway earns no money its shares (common shares) are worth nothing. Hence, if taken over by the Government the common shareholder is bought out at nothing on the dollar.

But think of the iniquity if we first kill a railway by dummy competition fed by public money, by duplicating all its services at the price of a huge public debt, then bring down the hammer, declare it "bust," and sweep all the chips off the table. No financier of the "Roaring Forties," no Major Pawkins or Mr. Scadder selling water lots in Cairo to Martin Chuzzlewit, ever did a slicker trick than that.

And yet it is exactly toward such a trick we are drifting. In vain the determined and courageous president of the Canadian Pacific has tried to call the people of Canada back to common sense—vox clamantis in eremis, a voice crying in Saskatchewan.

Look to Younger Men

What is needed in Canada is a new inspiration—a rushing and mighty wind of public honesty and public indignation to set right our ills. And it is hard to get.

When it comes, and if it comes, it will come from the uprising of younger men, of the new generation, not a generation soggy and debilitated with 50 years of cheap cynicism over politics, but a generation with little to lose, everything to hope and with their faces set toward the roseate colors of a coming morning. The same inspiration, in other words, which, if misdirected, makes straight for Communistic revolution.

There we have it—the handwriting on the wall—get straight or go under. It is as plain as that; and all the heritage of our British birthright, of our generations of pioneer struggle, all the power that transplanted England to North America is staked on it.

Honest Privately—Crooked in Public

But with us Canadians the flame of righteous indignation is hard to fan. We are all—I say it in a whisper—just a little crooked. In our private lives we are straight as a string. We wouldn't cheat a bartender out of a nickel. We can sit down to a game of poker and never use more than 4 aces. We wouldn't give a lead quarter to a taximan. But let us deal with the Government, and this is different. We have somehow grown up with the idea that the Government is there to be cheated, that, of course, it must pay too much, get too little, expropriate high and sell low. Any woman who has ever dealt with Customs duties knows just where we stand.

As a result we fail to feel indignant when the big crooks (see under "Captain of Industry") cheat out of huge sums the Government that we defraud of small; or when the Senate of Canada lays its hand on its heart (see Hansard, Senate Debates, subheading Beauharnois) and swears that the matter is so grave that it must forget all party ties and vote on honor and conscience—and then solemnly divides up and votes straight "Liberal" and "Conservative."

Repudiation Explained

This explains the apparent Canadian indifference to repudiation of debt, otherwise a mystery in England. In the last 2 years we have witnessed 2 first-class repudiations and there are more coming.

Alberta has virtually repudiated its public debt. The Government of Ontario repudiated its contracts with various Quebec power companies. The city of Montreal has asked the Quebec Government to be good enough to repudiate for it a part of the city debt. Alberta I leave aside; it has only repudiated its debt in the sense in which in earlier life I often had to repudiate my tailor's bill.

"Repudiation" only means that the province can't pay—or, at any rate, not just now. It has nothing to do with Social Credit, with the Kingdom of Heaven on earth, which it appears is not to originate in Edmonton after all.

In Ontario the "man in the street," the incognito under which we speak of ourselves, is not worried over the provincial repudiation of the Hydro deal. He has an idea that the deal can be set aside by honest men. That is part of the law of the jungle. In England that doesn't go; there an honest man must live up to a bad bargain. Not so in America. If a thing is crooked, we're prepared to be crookeder still. We are not out for the morality prize.

Taxpayer Between Millstone

So, too, with Montreal. The city owes over $270 millions. It can't pay the interest. It has taxed property till it's like kicking a dead mule. Nothing can be sold. The more you own the more you owe. Business is dying; traffic is failing; night is falling; hell is rising. What are we to do—those of us who sit, like myself, in an "unsaleable house" with taxes higher than rent, and more coming?

The "man in the street" has an idea that the city debt originated because one pack of crooks (all dead, no one talking of the living, libel law doesn't apply) lent huge sums of money to another pack of crooks; one crowd got high interest, the other crowd (they're dead too) got huge plunder. We, the taxpayers, are crushed between the millstones. Why didn't we prevent it?

How could we? Who can follow, year by year, the vast complicated technicality of municipal expropriations, franchises, etc., of a city of a million people? It is nothing but the silly abstraction of out-worn Democracy that can imagine that. No one has time, except the man who takes time off and sees that he gets paid for it (see under "Alderman, dead"). So if we repudiate part of the debt, if we loosen the noose that is throttling us—well, what about it?

But Relief Coming

If things don't change there will be lots more of it. But change they will. A smart rise in prices would give us as easy and quick a relief from the noose as repudiation itself. And if business looks up the smart rise in prices is bound to come—fragrant and sweet as the soft wet wind that means that rain is coming to the stricken fields.

And business must and will look up. For we have in Canada one huge national asset, which as yet we have not spoiled, not compromised, not stolen—the new, vast, incalculable mineral wealth of the land of gold, the "Eldorado" that was once a wilderness, trackless, frozen, worthless, stretching from the Great Lakes to the shores of the James and Hudson Bays. There, where all was silent, lies the new hope. There floats the airplane hovering in the sky to look for gold; the frozen lake welcomes its landing feet—a new bird of fortune, carrying the destiny of the human race.

Mines Will Save Us

It seems strange that this "God's-awful" country should carry in it the hope of Canada, the salvation and rescue of the fertile fields and farms that once shuddered at its existence. But there is no doubt of the fact. We are living, and are to live, in an age of metals, and here in this wilderness is a wealth of them—gold, silver, platinum, copper, nickel, cobalt; and others—cadmium, calladium, rhodium—with names as novel as their existence.

The mineral production of Canada has reached an annual value of over $300 millions, 5 times what it was when the century began. Canada is second only to South Africa in the output of gold, which runs to about 3 million fine ounces in a world production of 24 millions.

As prices rise and paper money depreciates, the dollar value of an ounce of gold goes up, and as this process proceeds well ahead of the rise in wages and costs, the mining industry enjoys a continuous stimulation. In the last year the value of Canadian gold was put at $116 millions; for 1936 it is estimated at about $130 millions. Over 90% of this comes from the Eldorado Wilderness that is the hinterland of Ontario and Quebec.

Thence comes also the annual $35 millions of nickel, the world's greatest source of supply; thence the whole of the cobalt and the larger half of the copper, 2 other vast potential assets. The Kootenay district of British Columbia is second only to New Ontario and Northern Quebec in its promise of mineral wealth. Statistics of present production can be had in any guide book or almanac. But what is not generally understood is that this new mineral field, in extent, in potential wealth, in economic significance, entirely eclipses the fading glories of California, the Rand and Ballarat. In it lies, if properly fostered, the salvation of Canada.

There is a danger that it may not be properly fostered. The Dominion and the Provincial Governments, stretching out their eager hands for revenue from taxation, each determined not to let the other get ahead of it, may kill the goose that lays the golden eggs. It is possible—to use a more fitting metaphor—that this young Hercules may be strangled in his cradle; not strangled to death—that he could never be—but strangled back into that age-long oblivion from which this silent wilderness has emerged.

Development to Come

It is one of the ironies of history that when Jacques Cartier ascended the mountain at Montreal and looked northwestward toward the vast panorama of the Lake of the Two Mountains and the Laurentian slopes, his Indian guides tried to tell him by signs that up the Ottawa was silver.

The French mistook the meaning of the savages, they thought the Indians referred to the silver waters of the Ottawa, brighter than the great river it joins. The mines had to wait till 1901, when the building of the Timiskaming railway showed it ballasted with silver ore. If Cartier had found it, the world's history would, without exaggeration, have turned to another channel. As it is, the history, the development of the new country from wilderness to a world centre, is still to come.

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NEW C.N.R. DIRECTORS IN SESSION

The new board of directors of the Canadian National Railways meeting, for the first time since appointment, in the board room of Canadian National headquarters, Montreal. From left to right: H. J. Symington, K.C., Montreal; R. J. Moffat, Bradwell, Sask.; Wilfred J. T. Gagnon, Montreal; Hon. C. D. Howe, Minister of Transport in the Federal Government; S. J. Hungerford, Chairman; J. Y. Murdoch, K.C., Toronto; D. H. McDougall, Montreal, and Stellarton, N.S.; and B. L. Daly, Winnipeg. Hon. Mr. Howe was present to meet the members of the board at their organization meeting.

Quebec Makes Progress In Correcting Defaults

Municipal Defaulters Reduced to 83, Involving $11.4 Millions

Municipal defaults in the province of Quebec, including 27 school corporations and 7 church trustees, number 83 and involve $11.4 millions of debenture debt. This is about 2.9% of the total municipal debt of the province.

All of these municipalities are under the supervision of the Quebec Municipal Commission and considerable progress is being made toward correcting defaults. While the total number of municipalities in default is much larger than in Ontario, the amount of bonds affected is considerably lower. Ontario defaults total about $90 millions or 18% of the municipal debt of the province.

As regards administration of defaulted municipalities, Quebec has one of the best records in Canada.

Of the 49 municipalities in default, 7 with a total debenture debt of $2.8 millions, although officially in default, have been offered the opportunity by the municipal commission of taking back their autonomy. Finances of these municipalities have been reorganized and they are now in a position to meet both principal and interest on maturity dates. These are as follows:

Municipalities	Debent. Debt $
La Tuque	780,250
Greenfield Park	431,100
Chicoutimi Twp.	158,700
Tremblay Twp.	140,800
Cap de la Madeleine	923,600
Laval des Rapides	402,500
Villeroy	3,000
	2,839,950

Ready For Reorganization

Eleven other municipal corporations are paying their interest coupons on time and are now ready to study a reorganization plan. These are as follows:

Municipalities	Debent. Debt $
Jonquiere	1,341,290
Laterriere	17,200
Grande Baie	54,500
St. Ambroise	13,700
St. Camille de Lellis	22,430
St. Simeon	22,200
Les Escoumains	9,600
Chandler	126,200
St. Benoit Jos. Labre	78,100
Cap. Chat	2,639
Val Barrette	11,200
	1,699,059

Paying Some Interest

Nineteen municipalities are paying interest coupons when funds are available, but not to date. These municipalities which are under close supervision by the municipal commission are as follows:

Municipalities	Debent. Debt $
City of Chicoutimi	1,473,267
Bagotville	641,000
St. Alexis De la Gr. Baie	188,500
St. Honore	134,900
St. Fulgence	63,000
Ste. Anne de Chicoutimi	105,800
Riviere du Moulin	83,000
St. Joseph d'Alma (Parish)	79,274
Begin Twp.	18,100
Bourget Twp.	24,500
St. Henri de Taillon	78,000
Notre Dame de la Dore	69,827
St. Michel de Mistassini	16,900
Black Lake	220,300
Macamic	48,300
Ste. Lucie de Beauregard	12,000
Aylmer	520,238
Farnham Twp.	27,400
	3,850,818

Pay No Interest

Nine municipalities are in such poor shape that they have paid no interest since the date of default. These are:

Municipalities	Debent. Debt $
St. Coeur de Marie	9,771
Tache Twp.	46,100
Delisle Twp.	108,360
Town of St. Jos. d'Alma	427,615
Village of St. Jerome	17,500
St. Augustin	14,500
Quebec West	272,000
Amherst Twp.	51,100
	1,035,340

School Corporations

Of the 27 school corporations which are in default, 5 are now paying interest on due dates and are ready to study a reorganization plan. These are:

School Corporations	Debent. Debt. $
Chicoutimi	324,744
Village of St. Jos. d'Alma	106,400
Peribonca	4,169
Villeroy	1,200
Jonquiere	427,004
	863,518

Regent Knitting Has Big Month

MONTREAL.—Regent Knitting Mills' sales last month are said to be the largest for any month since 1918. While it is a little early to forecast income for the current year, expectations are that revenue will be better than reported a year ago.

Last year Regent Knit had a gross profit from operations of $457,156, the best reported in many years. After taking care of selling, administration and other expenses, as well as interest charges and depreciation, there was a net profit of $10,462. While the latter figure was $14,400 less than in 1934, depreciation reserve was increased from $100,000 to $137,710.

Obituary

Lester W. Hopkins, of the Toronto Stock Exchange, member firm of Stratton, Hopkins and Hutson, during a visit to the Long Lac area.

Louis J. West, past-president and one of the founders of the Standard Stock and Mining Exchange and founder of the mining brokerage firm of Louis J. West and Co., at his home in Toronto. He was 65.

Frederick J. Mann, vice-president of Rous and Mann Ltd., in Toronto.

Christopher Nathan Mills, director of the T. Eaton Co. Ltd., at his home in Toronto.

W. T. Chisholm, head of the insurance firm of Harris and Chisholm, Winnipeg, at the Winnipeg General Hospital.

John V. Armstrong, secretary of the B.C. Electric Railway Co. Ltd. and a resident of Vancouver for 46 years, at his home in Vancouver.

Farm Implements Sales

A general survey of the sale of farm implements in Saskatoon this year, shows an increase in the sale of combines but a reduction in other farm implements.

Fox Fur Industry

Nova Scotia fox breeders marketed 7,700 pelts in the last year, an increase of 1,400 over the previous year. Prospects for the current year are reported as excellent.

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Class "A" Common Stock

THIS Company is expected to report another marked increase in profits this year with sales of kraft liner board already up 25% in the first half year and the new production of folding box board becoming apparent in the second half. Plans for the resumption of the manufacture of newsprint will be consummated late in October.

Strong financial position with no prior securities, dividend preference and rapid earnings growth are some of the attractions of this low-priced stock.

We shall be pleased to furnish further information on request.

Listed on Toronto and Montreal Stock Exchanges.

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QUIS CUSTODIET
IPSOS CUSTODES?

Those who appoint private individuals as executors under their wills might well consider the significance of the Latin quotation "Who shall keep the keepers themselves?"—If the private executor becomes incompetent to fulfil his trust who will care for his commitments? . . .

The plain fact is that a trust company is the only logical medium for continuous, uninterrupted executorship. A trust company does not die and is never sick. It can administer an estate impartially and exactly—and, if it takes a kindly interest in the welfare of the beneficiaries, as do the officers of the Chartered Trust and Executor Company — to the exact fulfillment of the will in the best interests of the beneficiaries.

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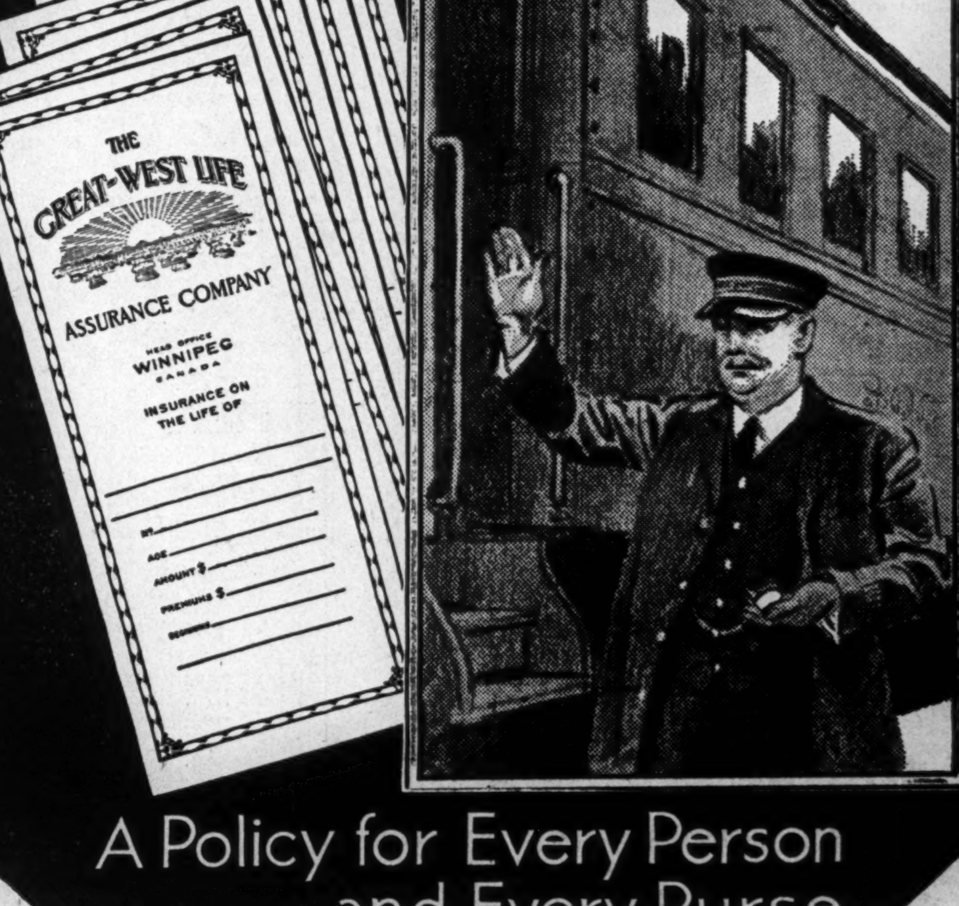

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Investment Trends

Stock Market Rise Reaches New Peaks

Breaking of Former High Points Regarded Favorably — Popularity of Low-Priced Shares Carries Them Higher Than Market Averages

Rise of industrial shares through previous high levels in Montreal, Toronto and New York is regarded as indicative of irregularly higher prices in the near future. The long delay before share averages broke through previous peak levels is interpreted, after the event, as having marked a period of accumulation.

Movements of individual stocks suggest that the inflationary effect of expanded credit, which lowered interest rates, is an important factor in the strength of both common and preferred issues of the investment type.

There has been no important liquidation of securities on this continent as a result of devaluation of gold bloc currencies. Unsettled political conditions in Europe and the attractions of easy profits in North American recovery are the main influences keeping European money here. Devaluation has caused booms on Dutch and French stock exchanges.

Partly because the rise of higher quality shares has carried them to levels at which possible capital profits appear limited, there has been a growing tendency for investors to seek out low-priced issues.

U. S. taxation of capital profits keeps liquidation out of stock markets but it may not prevent liquidation in times of crisis so that it contributes to creating boom conditions without safeguard against slumps.

New Highs

AFTER considerable hesitation, averages for industrial shares have broken through previous high points where resistance had been encountered.

Montreal Stock Exchange industrial index has had the most sustained rise of the year in its climb above 80. Toronto Stock Exchange industrials have run strongly through the former high of 143.5 established last February. In New work, the Dow-Jones industrial share average has at last broken through 170, and it is regarded as encouraging that rail stocks have reached the best levels in over 3 years.

It is noteworthy that resumption of the stock market rise has been achieved without the normal marked recession. That is, stocks have been rising for more than 18 months without a full "corrective" setback. Of course there have been lengthy periods of hesitation and the inevitable minor decline, but there has been no important slump. Consequently, although chart readers now expect the rise to carry further, they continue to anticipate an eventual recession of larger proportions than have been seen in recent months. But it may not come for some time.

Investors who have bought stocks for investment or to hold them as a protection against inflationary influences are still being advised to retain their equities. Even a marked slump need not disturb such holdings because in many cases capital appreciation is large enough to provide adequate reserve against passing weaknesses.

* * *

Low-Priced Shares

WHILE averages for industrial shares have risen less than 10% since the end of August, many popular low-priced stocks have risen much more sharply. Witness the following tabulation:

	Prices Oct. 6	Prices Aug. 31	Rise %	1936 Low
Abitibi	3½	1½	133.0	1¼
Beauharnois	3⅞	3	29.2	1¾
Brew. Corp.	2⅛	2	6.1	1¾
Can. Bread	7	5¾	21.7	4¼
Can. Cement	9	6¾	33.3	6
Canadian Car	10⅛	8¼	22.7	5⅛
Cockshutt	8½	6¼	36.0	5½
Dosco B	6⅞	5⅛	34.2	3¾
Dom. Tar	10¼	8	28.1	4⅝
Gen. Steel W.	5⅞	3½	67.1	3
Gypsum	11½	7⅞	46.0	5⅛
Maple L. pf.	8¼	4	206.2	2
Massey-Harris	5⅜	4⅛	30.3	3¾
United Steel	5½	3⅛	76.0	2⅛

Of the 14 shares listed, it will be noted that 7 have more than doubled the lowest price of the year. Maple Leaf Milling preferred has risen to over 4 times its low.

There are greater possibilities of doubling one's money by purchasing shares at $2 each than at $200 each. Hence the popularity of low-priced shares in a rising market in which the picking of winners seems fairly easy.

The risks of buying such shares are illustrated, however, in that dividends are not in early prospect for any of these stocks. Most of them have no earnings at all. It may prove highly satisfactory for the investor to retain or even to purchase this type of share, in hopes of profiting from continuation of the economic recovery. It is just as well, however, to recognize the risks and to offset them by restricting such purchases to a modest portion of the invested funds.

* * *

Outlook in Industries

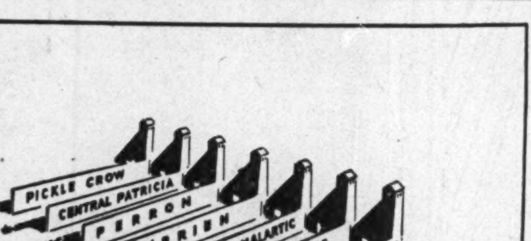
COMPILATION of comparative profits for 115 companies, assorted by industries, by McLeod, Young & Weir Co., shows a decrease of 2.6% in total 1935 earnings from 1934. This is an inaccurate picture of the Canadian corporation profits to the extent that a few heavy losers distort the gains of the many. Income tax receipts, for instance, indicate that total corporation profits rose in 1935. The compilation gives guidance, however, in comparison of industries, as follows:

Trend of Corporation Profits
1935 Compared with 1934

Industry:	Co's.	% Increase or decline
Construction	8	+79.3
Iron and steel	11	+51.8
Equipment—iron, steel	8	+40.3
Agricultural implements	4	+38.7
*Newsprint	7	+33.1
High-grade paper	3	+20.2
Amusement	3	+18.6
Foodstuffs	8	+13.9
Meat packers	2	+4.4
Electricity and gas	16	+1.4
Street railways	2	—2.4
Telephone	6	—4.2
Textile	15	—16.0
Flour milling	6	—24.6
Merchandising, retail groceries	9	—34.6
Grain, elevators	5	—53.3
Transportation	2	—77.7

*Before bond interest and depreciation.

The outlook for improving profits appears best for construction, iron and steel, newsprint, flour milling and merchandising groups. Grain companies seem to be facing a rather lean year, and farm implement prospects have been dimmed by drought. The more stable industries, such as foods and utilities, hold promise of improvement, but at a moderate rate.



MINING - A Key Industry

The high measure of prosperity attained by the gold mining industry has been a primary factor in enabling Canada to surmount the most trying period in her economic history. The creation of $430,000,000 of new wealth in gold in the Dominion during the past five years has proved an important contribution to Canada's economic welfare.

We are closely associated with the mining industry through the financing in part or in whole of the following mines: O'Brien, Perron, East Malartic, Sladen Malartic, Pickle Crow, Central Patricia and Bouscadillac. The Canadian mining industry rests on a solid base ... its assured future offers the investor many opportunities to share in Canada's most valuable form of natural wealth.

A map of the Northern Quebec mining area will be sent on request.

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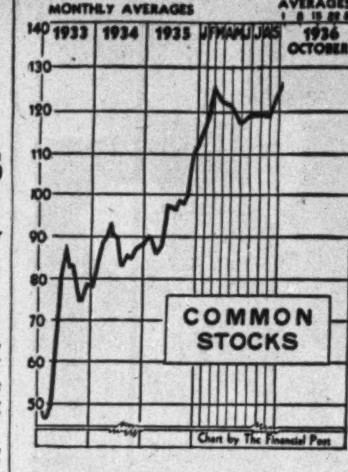


PEAK FOR YEAR

Common stock prices rose sharply in the week ended Oct. 1, raising the Dominion Bureau index to 127.1, a new high for the year. Comparative indices appear on this page.

Atlantic Sugar Calls Securities

Redemptions May be Handled With Firm's Own Cash Assets

From Our Own Correspondent

MONTREAL. — All the issued and outstanding A preference shares of Atlantic Sugar Refineries Ltd. have been called for redemption at 105 on October 31.

All the 5% debenture stock, due 1942, is to be redeemed on Oct. 31. There was $911,102 outstanding at Dec. 31, 1935.

Provision has been made for the refunding, according to a statement issued by the directors.

Strong Cash Position

It is assumed the company will provide for redemptions partly from its own resources. At the end of last year the company had on hand over $1 million in cash, call loans and interest-paying deposits. In addition, Atlantic Sugar had about $500,000 of marketable securities.

The financial statement of the company, showing the position as at December 31, 1935, showed $11,111 A 7% cumulative preference shares of $100 each authorized and issued, and 160,000 common shares of no par value outstanding.

G. Tamblyn Ltd. Declares Initial Common Dividend

Initial quarterly dividend of 20 cents a share has been declared payable Jan. 1, 1937, on new common shares of G. Tamblyn Ltd., Ontario drug store chain.

The new shares currently being offered at $16 each represent a split of each former common share into 4 new shares.

Current refinancing of the company is being effected by redemption of 7% preferred stock at 110 and issue of 6,000 new 5% preferred shares of $50 each. At the same time, large blocks of the old common shares have been acquired by an underwriting group and the resulting split shares are being offered publicly.

Dominion Coal Co. Settles Miners' Wages

MONTREAL.—Dominion Coal Co. collieries produced 378,608 tons during September, as compared with about 335,000 tons in August, and with about 241,500 tons in September last year. Mine disputes reduced production about 50,000 tons last month.

Investment Notes

Canada Dry—R. W. Moore, president, increased his holdings by 300 shares in August. He has continued to add to his holdings since becoming president.

* * *

Hunt's—No special reason appears to be forthcoming for the rise of the shares to about $14 from a low this year of $4.25. Last year's report was discouraging but higher hopes are held for the current year's results. Nevertheless some stock brokers are unimpressed by the rise.

* * *

United Steel—Now that the shares have been pushed up above $5, conversion of each class B preferred share into 35 common shares looks to have been some sort of bargain. After allowing $1.50 a share for preferred dividends, which become cumulative in the near future, no earnings have yet been shown on the common.

* * *

Maple Leaf Milling—Rise of the class A and common shares is based on the marked improvement shown in the new statement. While the shares still constitute a gamble in recovery in the flour milling industry, better conditions have developed in the trade. Dividends seem improbable for a long time.

* * *

Loblaw Groceterias—Progress in expansion of individual stores into market shops is shown by the fact that 60 of the 111 establishments are now of the market type. By thus expanding sales of meats, fruits and vegetables without increasing stores, little additional overhead is created.

* * *

Tooke Bros.—The next financial statement will make its appearance early in the new year, covering the 18-month period from July 1, 1935 to Dec. 31, 1936. Hitherto the company has worked on a fiscal year ended June 30.

* * *

Consumers' Gas—Appointment of Thomas Bradshaw as president and Edward J. Tucker as general manager has met with general approval. The appointments are peculiarly fitting because of Mr. Bradshaw's wide experience in finance and because of Mr. Tucker's many years in active service with the gas company.

* * *

Goodyear Tire—Trend of sales has been upward this year and third quarter dividends on the common and preferred have been more than earned after allowing for taxes, depreciation and obsolescence, states President A. G. Partridge, in a letter to shareholders.

* * *

Walkerville Brewery—Profit on increased sales was $7,000 after depreciation for the first 7 months of this year, compared with a substantial loss in the 1935 period. This is some comfort to shareholders who now expect a profit for the year, but dividends can hardly be anticipated.

* * *

Geo. Weston—F. W. St. Lawrence, general manager, states in a letter to shareholders that the earnings situation will lead directors to consider further the dividend policy of the company before the end of the year. Net for the third quarter was above that for the 1935 period, and total earnings are estimated to be running more than twice the annual dividend of 80 cents a share. It would take a dividend of at least $1.25 a share on the common to make it attractive to convert one preferred into 5 common shares. If the common dividend were raised above $1.25 a share, which does not seem an early probability, conversion of the preferred would be expedited.

* * *

Int. Paper & Power—In the recent rise of the preferred and of classes A, B and C common shares, Canadian buying is reported to have been important.

* * *

International Metal—Earnings are said to be running in excess of preferred dividend requirements, which, of course, are not being met. Last year there was a loss of $606,531, so the improvement is welcome. The reversal accounts for the rise of the preferred shares close to 70. They carry $26.25 a share of arrears.

* * *

Photo Engravers—Believed to be doing about the same as last year when profits amounted to $1.45 a share.

* * *

Canadian Hydro—Loss of the Ontario Hydro contracts seriously affected earnings of Canadian Hydro, with the result that the first preferred stock sold off to the early 30's. More mature reflection shows that the situation is not as bad as it appears on the surface, with the result that there has been a steady amount of investment buying in this issue, forcing the price up to the current level of 51, which is the best reported for some time.

* * *

Utilities—After being neglected for several months, utility stocks have come in for attention marketwise. The yield on the majority of these stocks is considerably better than can be had in other groups, but the political situation has been such that the investors have been inclined to pass them over in favor of other securities. This week, however, utility stocks advanced in value. Shawinigan moved up to 24, while Montreal Power sold close to 34½.

Nesbitt, Thomson Compile Canadian Dividend Index

MONTREAL. — Another index wherewith to judge the trend of business in Canada has been compiled by Nesbitt, Thomson & Co. The new index has been designed to indicate the trend of dividend payments in Canada. The base used is the dividend record of 47 selected Canadian companies, with returns for 1926 equalling 100.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel 15	Pulp and paper 6	Milling 5	Oils 5	Textiles and clothing 11	Food and allied products 18	Beverages 9	Total industrials 89	Total utilities 23	Total co's. 112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
March	136.5	18.5	88.7	237.3	73.1	153.0	140.1	194.8	55.5	122.8
April	131.7	17.5	91.0	244.5	71.3	150.7	131.7	194.2	53.2	121.4
May	125.1	16.7	87.3	234.0	68.1	145.7	131.4	187.9	52.5	117.9
June	125.3	17.5	86.5	228.1	67.4	149.2	129.3	189.3	53.3	119.0
July	126.0	18.6	87.0	224.3	66.8	153.9	131.6	190.1	53.8	119.6
August	128.5	18.0	89.9	218.9	68.0	157.1	135.7	191.4	53.1	119.9
Weekly Figures, 1936:										
Sept. 3	133.3	18.1	90.7	220.4	69.0	159.6	136.9	194.6	53.1	120.9
Sept. 10	135.7	18.8	91.1	219.7	70.0	161.6	136.8	196.9	53.9	122.4
Sept. 17	136.2	18.8	91.0	222.2	70.8	162.9	135.9	199.6	54.0	123.8
Sept. 24	139.0	20.1	96.1	223.4	71.2	165.2	136.5	204.9	54.3	126.5
Oct. 1	141.0	21.7	99.0	225.7	71.2	166.5	132.1	205.2	55.2	127.1

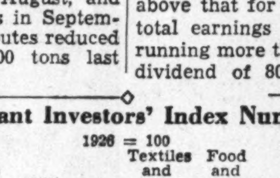
*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Oct. 6	148.77	137.37	153.65
Oct. 5	148.16	137.48	153.59
Oct. 3	147.02	138.08	154.45
Oct. 2	145.22	138.20	153.08
Oct. 1	142.61	137.81	151.46
Sept. 30	142.14	138.44	151.90
Month ago	138.39	143.14	150.23
Year ago	107.52	100.40	93.21
High, 1936	148.86	150.46	154.45
Low, 1936	125.71	115.97	123.59

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Oct. 6	77.2	86.3	83.3
Oct. 5	76.5	85.1	82.2
Oct. 3	76.6	83.9	81.4
Oct. 2	75.7	82.8	80.5
Oct. 1	74.0	82.1	79.4
Sept. 30	74.5	81.8	79.4
Month ago	71.6	78.2	76.0
Year ago	58.9	56.0	57.0
High, 1936	77.2	86.3	83.3
Low, 1936	67.2	69.5	68.9



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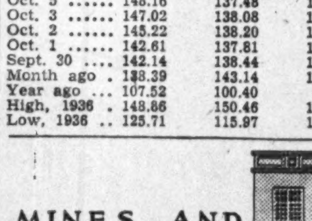

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Brazilian Goes to High For 3 Years

Exchange and Rate Problems Unsolved But Hopes Are Higher

GIVE GOV'T POWER

Brazilian Traction Light & Power common has gone to the high point for 3 years in trading during the last week. It exceeded 17, a sure index of growing hopefulness that eventually the Brazilian milreis will win through to a basis where the government can let the market for foreign exchange be entirely free. Then and only then can Brazilian be sure of foreign funds with which to pay dividends. Except for coffee trading exchange is free now but then coffee is the principal export of the nation and what happens it is all-important in deciding what the exchange value of the milreis will ultimately be — on a free market basis.

The various utility rates with municipalities are still under negotiation. Though the company's monthly reports show increases in gross and net earnings in 1936 over the comparable period of 1935, the results are translated into dollars on an arbitrary exchange basis below official rates which are much above the free market. The company itself regards temporary rates now being charged as inadequate but it is apparently a long affair getting a settlement which both sides will regard as fair. Until the Vargas "gold" decree rates were based on the value of Brazilian money in gold currencies of the world but now they are tied irrevocably to the Brazilian milreis and its fortunes.

Electrifying Railroad

Not so much has been heard in recent months of the movement in Brazil toward nationalization of all power resources. At the moment, however, it appears the government is going to avail itself of Brazilian resources in power. Brazilian Traction's subsidiary, Rio de Janeiro Tramway, Light & Power Co. is reported to have been asked to furnish power for a period of 5 years to the government-owned Central Railroad of Brazil in order that it may electrify a portion of its road. "Brazilian Business," for September, says that Brazilian's subsidiary has begun work already of connecting its power lines to those of Central R. R. at Mangueira. This publication says that no contract has been signed with Rio de Janeiro Power but the temporary arrangement will permit the railroad to inaugurate its electrical service on schedule early in 1937.

Will Brazilian pay another dividend soon? Interest keeps up on that question. It is known the company gets money out of Brazil steadily under the Rothschild coffee agreement which has been religiously lived up to during the depression. Since the retirement of Rio de Janeiro Power bonds on January 1, 1935, need of exchange to pay interest is lessened and from time to time there is a possibility of accumulation of funds sufficient to pay a dividend. Actual opportunity to purchase exchange in order to pay dividends has not improved markedly. The favorable balance of trade is not great enough.

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October Review and Bond List gladly forwarded upon request.

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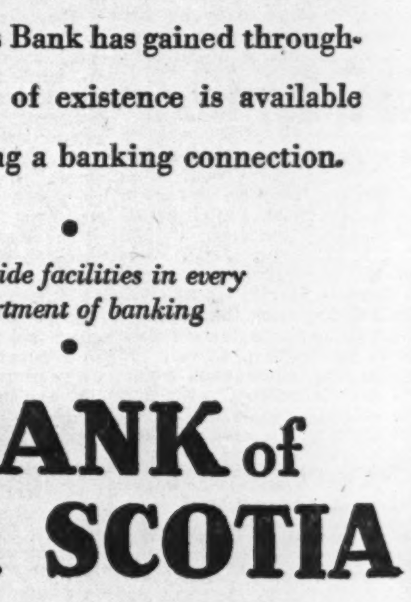

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Bond Markets

Newsprint Issues Feature Trading

Decline in High-grade Market is Shortlived—Alberta Bonds React From Recent Low—Other Westerns Weak

The decline in prices of high-grade government bonds was shortlived. Following sale of the province of Quebec loan the market recovered slightly and during recent sessions has continued firm. The Financial Post index, however, remains more than a point below the high of 117.91 reached on Sept. 16.

When the 1937 price for newsprint was announced those close to the situation felt that newsprint bonds were in for a period of inactivity and possibly declining prices. The experts, however, appear to have erred since interest in defaulted newsprint bonds continues unabated. The present activity is based upon long-term attractions. Abitibi 5's have advanced 3½ points to 68, Consolidated Paper 5½'s are up 2¼ points to 61 and M. & O. Paper 6's have risen 3½ points to 49½.

The province of Quebec $51 millions loan was snapped up in one day. This is one of the largest provincial bond flotations in Canadian history.

Announcement that the bondholders' protective committee had found that Alberta is economically and fiscally able to pay its bond interest resulted in Alberta issues reacting from their lows of last week, gains of from 2 to 5 points being recorded.

The New Brunswick issue of $3.5 millions should prove attractive to investors, especially since it consists of medium-term bonds.

Municipal Refinancing

DELAY in proceeding with refunding schemes is proving costly to a number of Ontario municipalities which are in default.

The cities of Niagara Falls and Sudbury are 2 cases in point. Both of these cities are in default on principal only and have large sums in the bank which are pledged for the payment of principal. Niagara Falls has $350,000 on deposit and on March 31 last Sudbury had $170,000. Upon these deposits the cities receive 1½% interest, while on the debentures that have matured, but are unpaid, they are paying from 5 to 6%. The sensible thing for the Department of Municipal Affairs to do would seem to be to speed up refunding plans so as to save the municipalities from further loss. If there are difficulties in the way of proceeding with refunding immediately then the municipalities should be authorized to pay off past due bonds in order of maturity.

These are not the only instances where delay is proving costly. Some of the Toronto suburban municipalities are faced with the same situation. Refinancing plans for these municipalities were drawn up some time ago and submitted to the respective bondholders committees, but at present appear to be at a standstill.

It is possible that legislation governing defaults of municipalities in Ontario is to blame. If this is the case then consideration should be given to its revision at the next session of the legislature. Ontario might do well to study methods of the Province of Quebec in dealing with defaulted municipalities.

* * *

Market Notes

WHILE Alberta issues, with the exception of the 5½'s and 6's, have recovered from their recent lows, other western provincial bonds have continued to decline. Sentiment with regard to the finances of the western provinces and the possible outcome continues unfavorable. British Columbia, Manitoba and Saskatchewan issues all recorded declines.

High-grade corporation bonds continue firm. Price action of other corporation issues has been somewhat erratic. A feature of the market has been the rise of 9¼ points recorded by International Hydro-Electric 6's to 67¾. Gatineau issues have been soft, easing off 1½ points.

The trend of the high-grade government bond market is indicated below:

The Financial Post Index of Average Price and Yield of High Grade Government Bonds

1936	Price $	Yield %	1935	Price $	Yield %
Oct. 6	116.32	3.104	Oct. 5	107.25	4.041
Oct. 5	116.61	3.074	Oct. 4	107.04	4.060
Oct. 3	116.61	3.074	Oct. 3	106.64	4.090
Oct. 2	116.63	3.071	Oct. 2	106.75	4.083
Oct. 1	116.61	3.074	Oct. 1	106.96	4.063
Sept. 30	116.59	3.077	Sept. 30	106.79	4.077
Year's	117.91	2.966	Year's	114.97	3.367
Range	111.50	3.597	Range	106.57	4.097

Federal Tax on Profits Hits International Paper

From Our Own Correspondent

MONTREAL. — Passage of the Federal undistributed profits tax by the last Congress, creates a number of problems for International Paper and Power and will hasten a plan for liquidation of preferred dividends now in arrears.

Under the act the company must pay a Federal tax on undistributed profits even if it owes back dividends which it cannot pay. On the other hand, the company is chartered as a voluntary trust in Massachusetts. The laws of that State prohibit dividends so long as the balance sheet shows a capital deficit. At the end of last year I. P. and P. showed a capital deficit of over $12.3 millions. The principal assets of this company consist of the capital stock of International Paper Co., a New York company, which also is prohibited from paying dividend as it has a capital deficit in excess of $19.6 millions.

Must Clear Up Deficit

Before the parent company can secure any revenue from its holdings in International Paper, the latter must clear up the deficit, while both the operating and holding company must pay the new Federal tax as long as they show a profit available on capital stock.

International Paper Co. reported a deficit of $402,674 in the first quarter of this year. However, in the second quarter there was a net profit after deduction of taxes of nearly $1.2 million. Normally that entire sum would be applicable to dividends on the preferred stock. No payment can be made because of the capital deficits. As a result, the directors have set aside a special Federal undistributed profits tax reserve of $318,226 out of these profits.

The total tax is equal to 35 cents a share on the 7% preferred stock which is outstanding. Consequently there is a definite urge to clean up the balance sheet of International Paper Co., and in turn that of International Paper and Power Co., so as to eliminate the liability of the Federal tax on undistributed profits.

Municipal Finances

Moose Jaw, Sask., reports that departmental expenditures up to August 31 exceeded estimates by $11,590. Revenue, however, was also up, being $10,252 in excess of estimates. Total expenditures for the period were $483,426 and revenue, $278,343.

* * *

Brandon, Man., is still discussing the question of having an administrator or supervisor of its affairs appointed by the provincial government. Decision on the matter has been deferred by the Government.

* * *

Toronto, Ont., is having some difficulty in obtaining an independent expert to conduct a survey of civic departments. Due to pressure of business Thomas Bradshaw and Sir Thomas White both declined the city's invitation to make the survey. Other names suggested in civic circles are those of George H. Ross, former city treasurer, and Dr. H. L. Brittain, director of the Bureau of Municipal Research.

* * *

Saskatoon, Sask., has presented a proposal to the Saskatchewan tax commission calling for redemption of all existing debenture debts of municipalities and school boards with a view to issuing federal guaranteed securities carrying 3% interest. It is estimated that such a reduction in interest rates would reduce the tax rate of the city of Saskatoon by 16 mills.

* * *

Regina, Sask., since provision for direct relief became a matter of civic financing in 1930, has paid 51.4% of relief costs out of current revenue, according to an official report. In the present year it is estimated Regina's share of direct relief will cost $348,000. Of this amount $148,000 will come out of current revenue and $200,000 from the issuance of debentures.

* * *

Parish of St. Louis de Chambord, Que., has been authorized by the Quebec Municipal Commission to pay interest coupons of July 1, 1934.

* * *

Rockcliffe, Ont., has increased its tax rate for public school supporters from 26.3 mills to 26.8 mills. The rate for separate school supporters remains unchanged at 35.8 mills.

* * *

Winnipeg, Man., is going to have considerable difficulty in balancing its budget in 1937, according to the Winnipeg Free Press. Increasing expenditures for debt charges and other items largely uncontrollable and decreasing revenue from property tax on account of falling assessment in recent years has placed the city in a difficult situation. At the present time a committee of the city council is investigating the possibilities of new sources of revenue.

Rolland Paper Refunds Debt

Serial and Long Term Bonds Replace Old Issue

From Our Own Correspondent

MONTREAL.—Rolland Paper Co. has called for redemption on November 2 at 103, all of its outstanding 5½% first mortgage bonds.

This refunding operation is made possible by the issuance of $2,150,000 of new first mortgage bonds, consisting of $750,000 serial 3%, 3½% and 4% bonds, priced at par, and $1.4 million 15-year sinking fund 4½% bonds, at 99.50.

The new bonds are being publicly offered by W. C. Pitfield and Co., Wood, Gundy and Co., Comptoir Nationale du Placements, Hanson Bros. and L. G. Beaubien and Co.

The new issue differs from the old one in that it is payable as to principal and interest in Canadian funds only, whereas the bonds to be redeemed are payable in Canadian, American or sterling funds.

This financing will result in a saving in interest charges to the company of about $22,000 annually, according to a statement issued by the underwriters.

Credit Index Decline Is Checked in August

Increase in Commercial Loans Features First Advance of Credit Indicator in 10 Months — Foreign Deposits Higher

The flow of bank funds from commercial loans and into security holdings was effectively checked in August for the first time since last fall.

Each month since October, 1935, has seen The Financial Post business index dip to a new all-time low. In August, however, this index, based on the percentage of call and current loans in Canada to Canadian public deposits, advanced fractionally from 35.0 to 35.1. Despite its minute nature, the increase was most welcome to bankers who have professed themselves alarmed at the steadily declining loan volume.

It is as yet too early to determine whether or not the improvement is anything more than another of the temporary advances which have from time to time checked the steady decline in loans over the last 6 years. Most observers are of the opinion that even if commercial loans have reached bottom, there is no immediate prospect for any startling increase. Low loan volume is probably one of the problems with which bankers will have to contend for some time to come.

Use of Bank Credit in Canada
(In millions of dollars)

	Aug. 1936	July 1936	Change	Aug. 1935	Change
Loans	866.3	859.1	+ 7.2	1,032.3	—166.0
Investments	1,355.2	1,357.4	— 2.2	1,040.6	+314.6
Total	2,221.5	2,216.5	+ 5.0	2,072.9	+248.6
Deposits	2,129.1	2,112.6	+16.5	1,988.1	+141.0

Largest individual changes of the month were in foreign deposits, and in balances held in foreign banks, which increased $51.5 and $46 millions, respectively. Advances in these items, however, were confined largely to the Royal Bank and the Bank of Montreal. Officers of those institutions state that the higher totals represent merely routine developments.

ASSETS

	August 1936 $	July 1936 $	Change $	August 1935 $	Change $
Immediately Available Liquid Assets					
Canadian coin ..	5,277,352	5,421,729	— 144,377	5,451,630	— 174,278
Bk. of Can. notes	38,614,874	36,024,280	+ 2,590,594	30,581,427	+ 8,033,447
Bk. of Can. depos.	180,742,659	185,883,803	— 5,141,144	192,354,124	— 11,611,465
Bank's cash	224,634,885	227,329,812	— 2,694,927	228,387,181	— 3,752,296
Other bank notes	8,326,733	5,687,762	+ 2,638,971	7,473,508	+ 853,225
Gold & sub. coin ab'd.	11,657,132	11,519,002	+ 138,130	8,384,677	+ 3,272,455
Foreign banks ..	140,957,077	94,950,543	+ 46,006,434	112,904,994	+ 28,052,083
Foreign curr. ...	25,590,453	25,508,551	+ 81,902	22,634,098	+ 2,956,355
Gov. sec. short term	403,301,396	408,536,317	— 5,234,921	383,836,032	+ 19,465,364
Do., long term .	680,235,317	679,188,810	+ 1,046,507	470,391,706	+209,843,611
Call loans abroad	58,531,481	57,608,297	+ 923,184	68,551,705	— 10,020,224
	1,553,234,474	1,510,329,094	+ 42,905,380	1,302,563,901	+250,670,573
Loans and Securities Other Than Those of Canadian Government					
Municipal secs...	115,573,200	116,726,187	— 1,152,987	100,328,127	+ 15,245,073
Public secs.†	56,100,077	53,886,698	+ 2,213,379	39,102,694	+ 16,997,383
Other secs.	99,951,451	99,055,975	+ 895,476	46,988,692	+ 52,962,759
Can. call loans ..	90,527,543	90,856,925	— 331,382	77,438,768	+ 13,088,775
Current loans ..	657,362,195	649,772,815	+ 7,589,380	828,629,038	—171,266,843
Loans abroad ...	155,368,454	146,623,341	+ 8,745,113	155,905,838	— 537,384
Prov. loans	21,861,564	17,675,809	+ 4,185,755	25,201,891	— 3,340,327
Mun. loans	96,540,238	100,852,383	— 4,312,145	101,054,741	— 4,514,503
	1,293,284,722	1,275,452,133	+ 17,832,589	1,374,649,789	— 81,365,067
Other Assets					
Non-curr. loans .	13,364,286	13,463,211	— 98,925	14,501,874	— 1,137,588
Real estate	8,929,814	8,817,675	+ 112,139	8,750,102	+ 179,712
Mortgages	4,570,092	4,682,666	— 112,574	5,464,169	— 894,077
Premises	75,520,799	75,414,608	+ 106,191	76,468,772	— 947,973
Letters of credit.	62,887,891	63,650,414	— 762,523	55,778,447	+ 7,109,444
Loans to comp...	9,170,994	9,276,685	— 105,691	12,836,696	— 3,665,702
Other assets	1,895,012	1,903,312	— 8,300	2,242,047	— 347,035
	176,338,888	177,208,571	— 869,683	176,042,107	+ 296,781
Total	3,022,858,085	2,962,989,798	+ 59,868,287	2,853,255,797	+169,602,288
Note circ. dep....	7,021,118	7,015,120	+ 5,998	6,859,124	+ 161,994
Int. bank bal. ...	110,804,488	113,521,867	— 2,717,379	102,797,271	+ 8,007,217
Gross	3,140,683,691	3,083,526,785	+ 57,156,906	2,962,912,192	+177,771,499
LIABILITIES					
To the Public					
Circulation	123,527,133	119,071,107	+ 4,456,026	129,968,276	— 6,441,143
Dom. Govt.	10,321,820	18,955,535	— 8,633,715	38,847,900	— 28,526,080
Prov. Govt.	35,184,772	42,679,293	— 7,494,521	38,186,645	— 3,001,873
Deposits by Public					
Demand dep.	626,323,498	618,608,437	+ 7,715,061	553,817,599	+ 72,505,899
Savings dep.	1,502,821,895	1,493,973,647	+ 8,848,248	1,434,256,634	+ 68,565,261
Total	2,129,145,393	2,112,582,084	+ 16,563,309	1,988,074,233	+141,071,160
Foreign dep. ...	427,473,150	376,010,075	+ 51,463,075	360,699,687	+ 66,773,463
Due to Banks Abroad, Etc.					
United Kingdom.	10,420,422	10,654,053	— 233,631	13,173,232	— 2,752,810
Foreign	31,705,748	31,614,338	+ 91,410	26,628,544	+ 5,077,204
Bills payable	1,296,694	1,418,967	— 122,273	1,617,977	— 321,283
Letters of credit .	62,887,891	63,650,414	— 762,523	55,778,447	+ 7,109,444
Other liabs.	2,696,001	2,527,635	+ 170,366	2,380,673	+ 317,328
Total public liab.	2,834,661,024	2,779,163,501	+ 55,497,523	2,655,355,614	+179,305,410
Due bet. banks .	12,556,569	13,789,849	— 1,233,280	15,046,234	— 2,489,665
Liability to Shareholders					
Dividends	2,945,499	2,539,950	+ 405,549	2,949,620	— 4,121
Reserve	132,750,000	132,750,000	......	132,750,000	......
Capital	145,500,000	145,500,000	......	145,500,000	......
Gross	3,128,413,092	3,073,743,300	+ 54,669,792	2,951,601,468	+176,811,624
Credit index	35.1%	35.0%	+ 0.1%	45.6%	— 10.5%

† Other than Canadian.

Bond Tenders

4 p.m., Oct. 20, Sch. Mun. of Saint-Jean, P.Q. — $46,900, 3, 3½ and 4% bonds dated Nov. 1, 1936, and redeemable serially from Nov. 1, 1937 to 1961. The object of the loan is for the purpose of renewing part of an issue becoming due Nov. 1, 1936. Hormidas Morais, sec.-treas.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Mt. Royal T.&T.	5%	1970	Oct. 15	105
Can. Cement ..	5½%	1947	Nov. 1	104
Gt. Lakes Pwr..	6%	Serial	Nov. 1	*
Hyd.-Elec. Pr. Ont.	3½-5%	1952	Apr. 1 '37	100
Dom. Tar, A, B	6%	1949	Nov. 16	103
Simpson's, A ..	6%	1949	Nov. 20	104
Do., B	5½%	1949	Nov. 20	104
Riordon Pulp ...	‡6%	1942	Dec. 31	105
H. Walker ...	†4¼%	1945	Dec. 1	104
Atlan. Sugar	5%	1942	Oct. 31	...
Rolland Paper ..	5½%	1948	Nov. 2	103

For sinking fund: ‡$81.000.

*Callable on 4½% income basis.

†Partial redemption.

Stock Issues:	Rate	Stock	Date	Price
Stanfields	6%	Pref.	Dec. 15	42
Atlan. Sugar ..	7%	Pref.	Oct. 31	105

These shares having all been sold or taken through conversion by the former Preferred shareholders, this advertisement appears as a matter of record only.

30,000 Shares

The Niagara Wire Weaving Company
Limited

Incorporated under the Laws of the Province of Ontario

CAPITALIZATION

	Authorized	*Issued*
Common Stock, no par value	124,000 shares	110,000 shares

Company has no funded indebtedness

Circular containing letter from Mr. Edward J. Buell, President, The Niagara Wire Weaving Company Limited, received by the undersigned as underwriters of the Common shares issued to retire the Company's outstanding Preferred stock as of October 1, either by redemption or conversion into Common stock, will be sent on application.

The above stock is listed on the Montreal Stock Exchange.

McLeod, Young, Weir & Co. Limited
Greenshields & Co Incorporated

CANADIAN GOVERNMENT AND MUNICIPAL BONDS

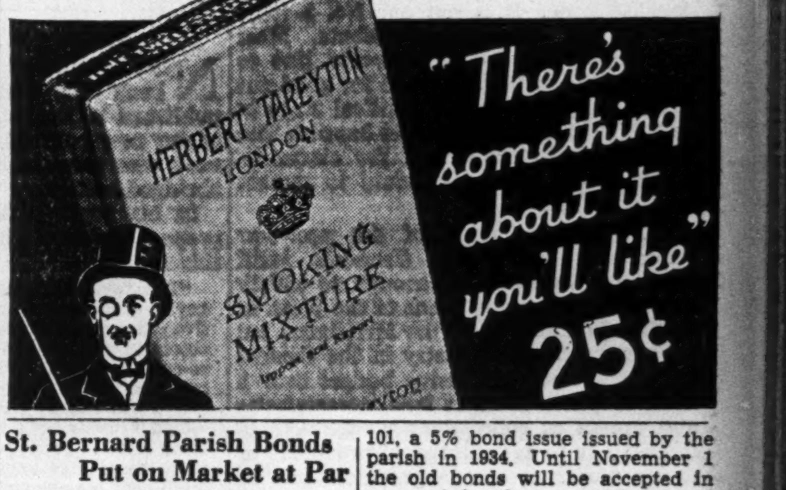
WE ARE GLAD TO MAKE OFFERINGS OF ALL THE MORE ACTIVE CANADIAN ISSUES ON REQUEST

BELL, GOUINLOCK & CO.
LIMITED
MONTREAL 25 KING STREET WEST WINNIPEG
TORONTO, CANADA
TELEPHONE: ELGIN 2236

Do This

with a Match

Use it to light your first pipeful of Tareyton. You'll never in your life put a match to better use. Tareyton is a mixture of only the finest tobaccos. The best smoking tobacco you ever put in your pipe.



St. Bernard Parish Bonds Put on Market at Par

MONTREAL.—Lucien Coté Inc., of Quebec city, is making a public offering at par and accrued interest of $160,000 4% first mortgage bonds of the St. Bernard parish, Shawinigan Falls.

Proceeds will be used to retire at 101, a 5% bond issue issued by the parish in 1934. Until November 1 the old bonds will be accepted in payment for the new with interest allowed at 5% until November 1.

The new issue is payable as to principal and interest in Canadian funds only and is secured by the parish property, as well as being a tax charge against the Catholic property in the parish.

RIGHT ON TOP!

A BARRETT ROOF FOR YOUR HOME

It is sound economy to have the local Barrett Roofer or Distributor periodically inspect the roof of your home. He will do it gladly. Barrett Shingles are especially suited to reroofing over old shingles. Other Barrett products include: Barrett Specification Roofs, Barrett-Holt Roof-Drainage Connections, Waterproofing, Sheathing and Building Papers, Protective Paints, etc.

Have your roof inspected by Barrett

CAREFULLY adjusted production schedules can be seriously upset and temporary shutdowns made necessary because of defective roofs. Equipment and materials must be protected against damage by leak-proof roofs.

Upon request, Barrett will have an experienced Roof Inspector make a careful examination of your roof. He will tell you if repairs are necessary or if the roof is in satisfactory condition. Fact finding is his job, and he will report to you in detail.

Barrett's Roof Inspection Service is available without cost to owners of flat-roofed buildings. It is known by leading architects and engineers as the most thorough and conscientious roof inspection service available. For many years it has been a regular feature of Barrett Roof Service—typical of Barrett leadership in the roofing industry.

We will gladly arrange an inspection without obligation.

Barrett ROOFS

The BARRETT COMPANY LIMITED
MONTREAL - TORONTO - WINNIPEG - VANCOUVER

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper

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Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2.
Founder and Chairman — John Bayne Maclean
President — Horace T. Hunter
Vice-President and General Manager—
H. Victor Tyrrell

ADVERTISING RATES
Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
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TORONTO, OCTOBER 10, 1936

The Financial Post's Platform for Canada

1. *Balanced budgets, achieved through economies and not by new taxation.*
2. *A "pay-as-you-go" policy in public spending to peg public debts.*
3. *Abolish politics in the C. N. R. to end deficits.*
4. *Appointment, promotion and payment by merit in the public service.*
5. *Integrity in meeting public obligations.*
6. *Freer foreign trade through Empire preferences and foreign treaties.*
7. *Stable tariffs designed for balanced national development.*

7. Stable Tariffs for Balanced Growth

THE tariff, as a political issue in Canada, is always with us. It has made and unmade governments, parties and individual political leaders. It has at times threatened to split Canada into a group of sovereign Dominions, to Balkanize the nation.

At the moment, the tariff is almost a sleeping issue. It is not our No. 1 topic for heated, quarrelsome debate. Most nationally-minded citizens would like to feel that the tariff had faded for good out of the foreground of the political stage in Canada. That is not likely to happen. The tariff is too potent a text for alarmists, doctrinaires and spell-binders to remain long dormant.

Under the influence of the post-war Progressive movement, Canada's tariff level was lowered, not enough to satisfy the more extreme demands of the West, of British Columbia or of the Maritimes, but enough to irritate industry in the Central provinces. Each successive budget over a term of years brought new uncertainties and upsets as concessions were made to industry or to agriculture, to producers or to consumers, to one geographical area or another. The proclaimed principle was to reduce the production costs of primary industries, but how adequately this purpose was served is a matter for sharp disagreement.

In the depression years the tariff moved up sharply. To keep our people employed was the plea. We became infected with the same virus of economic nationalism that was spreading as a contagion throughout the world.

Now the trend is away from extreme protectionism. But no political realist looks for a marked downward swing in protective tariffs. Of the important political parties in Canada there is none that can accurately be labelled a low-tariff party.

Almost forgotten just now in the current pressure of budgetary problems, debt adjustment and monetary "reform," the tariff will come back as a political issue soon enough. And some well-balanced national viewpoint on the problem must be found if highly prejudiced sectional and class propaganda on the subject is not again to dominate the discussions.

The tariff has seldom been discussed in Parliament in terms of seeking to discover the level of protection and the particular tariff rates that will produce the maximum of opportunities for employment over the whole national economy. The Ontario manufacturer, through his parliamentary spokesman, is apt to argue in terms of the number of men he could employ in his factory if he had the home market to himself. The Saskatchewan grain grower thinks in terms of the wealth he can produce at a certain level of costs. Only a few people genuinely try to think in terms of net employment created or disturbed by any tariff action.

This is not to argue that the development of a tariff policy is as simple as stating a principle. For even if we agreed upon first principles they would have to be modified in the light of the investments we have already made in Ontario factories and Saskatchewan farms, for instance; in the light of the problems of building one nation out of somewhat incohesive areas; in the light even of the problem of defense.

The tariff cannot be taken out of politics because it is one of the instruments by which parliament governs the country and shapes its destiny. But it should be taken out of party politics, out of local politics, out of petty politics. Like public works and the Canadian National Railways it ought to be better insulated against the wrong kind of political influence.

The tariff should not be fixed at the dictation of contributors to party funds nor of minority groups holding the balance of power in a dangerously poised political situation.

The tariff issue should not be one between high tariffs and low tariffs. The chief need is for a comparatively stable tariff, capable of producing not only an adequate revenue for the national treasury but an adequate social income for the nation.

Having laid down broad principles of this character our political leaders ought to be willing to apply them under the guidance of its independent advisers, the Tariff Board, and even at this juncture the National Employment Commission.

In few countries does discussion on the subject of tariffs descend to such bitterness as in Canada where the cynical doctrinaire clashes with the selfish dogmatist, and where few men climb an intellectual mountain peak to see the nation as a whole. The conscientious citizen often finds himself buffetted between the propaganda of those who would use the tariff to put into their pockets more than their equitable share of the national income; and the spell-binding of those who would use the tariffs as an easy stepping stone to political enshrinement.

The Financial Post's policy on tariffs remains what it has always been; not to argue with realities but to accept the tariff as a most valuable instrument of nation-building in Canada; to demand that it be used in the national interest and not to support combines, to bonus inefficiency nor to reward party supporters; to urge that tariff levels be fixed after competent study of all the facts about all the interests affected; and to ask for much more stable tariffs so that long term developments can be planned with greater confidence.

Hitler on Propaganda

NO COMPLETE copy of Herr Hitler's book "My Struggle" has ever been published in English. But there are some of our new political leaders on this continent who seem to have read at least the abridged edition.

In his book, Hitler tells how political propaganda should be carried on. He gives this advice:

> "The psychology of the masses is open to anything that is half-baked or weak . . . Effective propaganda must always be directed to the emotions and only to a limited extent to the so-called mind . . . The greatness of every organization in its embodiment of an idea of this world lies in a religious fanaticism with which it insists on its right, intolerant of everything else . . . Propaganda must be so directed as to be always understandable to the least intelligent member of the mass, and must be repeated until it becomes a part of his mind."

Hitler's methods worked in Germany, although how long the masses will be swayed by his particular brand of political intolerance is another question.

The Huey Longs, the Coughlins, the Aberharts all learned well the lessons in Hitler's book. But such mass leaders can ride high only so long as the emotional tidal wave is moving. When it breaks they too will be cast on the rocks where all fanatical dictators before them have smashed; the solid rock of public sanity that remains ultimately unmoved in every democratic state.

First Rule in Investment

NOT long ago one of Canada's most eminent jurists chided The Financial Post for having dug up and published the rather unsatisfactory record of a man who made a great deal of money in the sale of securities of a certain type.

"Newspapers have no right to publish the story of a man's life without his permission," said this judge. "Surely a man's past is his private business. The press does too much prying into matters that are not its affair."

The member of The Post staff, to whom the remark was made, replied by asking a question. He said: "You are a large investor. You have bought securities in many different companies. When you look into an investment what is the first thing you want to know about it?"

The jurist, replied after a moment's hesitation: "I want to know about the people behind the enterprise."

It is a shrewdly conceived rule and one that every investor ought to follow. And so long as the ability, the record and the character of the people back of an enterprise constitute the first factor in its probable future, it will be necessary for the newspapers like The Financial Post to give the record, good or bad, of people who ask the public to put up the financial backing for their promotions.

Editorials in Brief

High grading may be anathema to the mining man but it's economic salvation to thousands of prairie wheat farmers this year.

* * *

"I don't care for baldheads," says bald-headed William Aberhart. It must be admitted he has made hair stand on many heads.

* * *

Mr. Aberhart in British Columbia advised one audience to study mob psychology. Adolf Hitler in his autobiography gave the same advice to would-be dictators.

* * *

Two articles written by Hon. C. A. Magrath for the recent jubilee number of the Lethbridge Herald have now been published in an illustrated pamphlet. In one article Mr. Magrath tells of the two Galts who pioneered the development of southern Alberta; in the other he outlines the development of the Lethbridge district. The pamphlet, printed by the Herald, is a most valuable piece of Canadiana, written by a man who has been an active figure in all the events of which he writes.

* * *

Indirect ownership of property has become increasingly important with the expansion of modern financial organizations. One of the resulting problems is how to bring home to the actual owner of an insurance policy, for instance, the value of his property. The Alberta government would have considerably less support for its repudiatory policies if the thousands of holders of insurance policies in the province understood clearly that they are being looted by radicalism.

* * *

In advertising of the shares of G. Tamblyn Ltd., Ontario drug store chain, it is stated that conditions in the trade "made it impossible for the company to adjust retail prices so as to absorb the increased sales tax in the early months of this year and other increased taxes." The inference is that later it was passed on. Obviously, increased taxation cuts into corporation earnings but is passed on to the ultimate consumer as soon as possible. When it is more widely recognized that rising taxes must ultimately be borne by the people, there will be more active public support for frugal government.

* * *

The New York Sun, the Chicago Tribune and other United States newspapers have played up the recent story in The Financial Post regarding Franklin D. Roosevelt's German mark speculating company, organized in 1922 and wound up in 1927.

The Financial Post showed that this company, incorporated in Canada with Roosevelt as president, invited American and Canadian holders of German marks to invest them in its shares. The company in turn proposed to invest the marks in tangible property in Germany.

One of the directors was the late Senator Andrew Haydon of Ottawa. Haydon was one of a group including Gregory Zinovieff, recently executed Soviet leader, who came to the offices of The Financial Post to solicit support for Roosevelt's German mark company. Another in the group was Martin Nordegg, German-Canadian promoter, whose wife recently spent a day in jail in Poland as a result of an unfortunate misunderstanding over currency matters with some stupid Polish officials.

The Roosevelt scheme was of course a mad, fantastic one, as was the whole German mark racket. Germany took hundreds of millions of dollars out of petty speculators the world over by selling them paper marks prior to the great devaluation. For several years it made its war debt payments this way.

The Financial Post consistently advised against the purchase of German marks all the way from five cents down to nothing. It warned positively that the mark could never come back; that the purchase of marks was a speculative folly just as their sale was a prodigious racket.

Roosevelt's company did not advise the purchase of more German marks; it asked present owners of them to exchange them for shares. But the mark was tumbling so rapidly that marks turned in for shares one week might not be worth enough the next to pay postage on them to Germany.

Roosevelt's venture in high finance lifted the curtain on a career that has been marked by erratic finance. The company, United European Investors Limited, ignored sound financial advice, which seems to have become a fixed Roosevelt habit.

Post-Scripts

SOME time ago The Financial Post quoted from the Sphere, of Washington, an editorial which contained this statement:

> "President Roosevelt is the most extravagant government head, the wildest spender of money known to recorded history."

The American papers have been quoting this and crediting it to The Financial Post as an original thought of our own. We think the Buffalo Evening News started the mistake and not even Mercury could now overtake it. Until election time the Republican papers will be saying that this "independent Canadian paper," this "unbiased observer," this "outside commentator" thinks Roosevelt has set a new high record in extravagance. Every few days we get a clipping of another editorial from some U. S. paper in which we are blamed for saying that even Solomon, who left his people impoverished, could not hold a candle to F. D. R.

As a matter of fact we are inclined to feel that the statement is perfectly true and that Roosevelt tops them all as a spender. Certainly he does in an absolute sense and probably too in a comparative sense, having regard to the times in which he and other rulers lived.

But modesty compels us to disclaim the striking phraseology with which the editor of the Sphere clothed his thought.

"I wish I had said that," remarked one of Oscar Wilde's friends in reference to a particularly brilliant Wilde epigram.

"Never mind," replied Wilde, "You will."

These Republican papers are making us feel the way Wilde's retort must have made his friend feel.

Sayings of the Week

"Morals are sovereign, but no government is." *—Nicholas Murray Butler.*

* * *

"Parliamentary governments have made a hash of things."*—Lord Rothermere.*

* * *

"Error of opinion may be tolerated when reason is left free to combat it."*—Carter Glass.*

* * *

"Employers stand to gain through collective bargaining and higher standards for labor."*—Harry Elmer Barnes.*

* * *

"The Spanish revolution is only the first round in a world conflict which will last for a long time."*—Roger W. Wabson.*

* * *

"There seems to be nothing artificial about America's business upturn. I'd say there were no pitfalls in sight."*—Irving Fisher.*

* * *

"Let's get this straight, once and for all—gambling in stocks is not mining."*—Sydney Norman, B.C. mining commentator.*

* * *

"It would be in the interest of the world to comprehend that well fed people are more sensible than hungry ones."*—Adolf Hitler.*

* * *

"Instability of currencies and inflation of credit are the green pastures upon which the speculator grows fat."*—Herbert Hoover.*

* * *

"One cannot be long in Europe without realizing that those who live far away are sheltered from grave realities."*—Sir Keith Murdoch.*

* * *

"I would rather live in a shack in the desert if it was mine and paid for, than dwell in a palace that belongs to my creditors."*—Harold Bell Wright.*

* * *

"It is interesting to note that, as in former depressions, the fifth year is proving to be the year of recovery in this depression."*—Charles G. Dawes.*

* * *

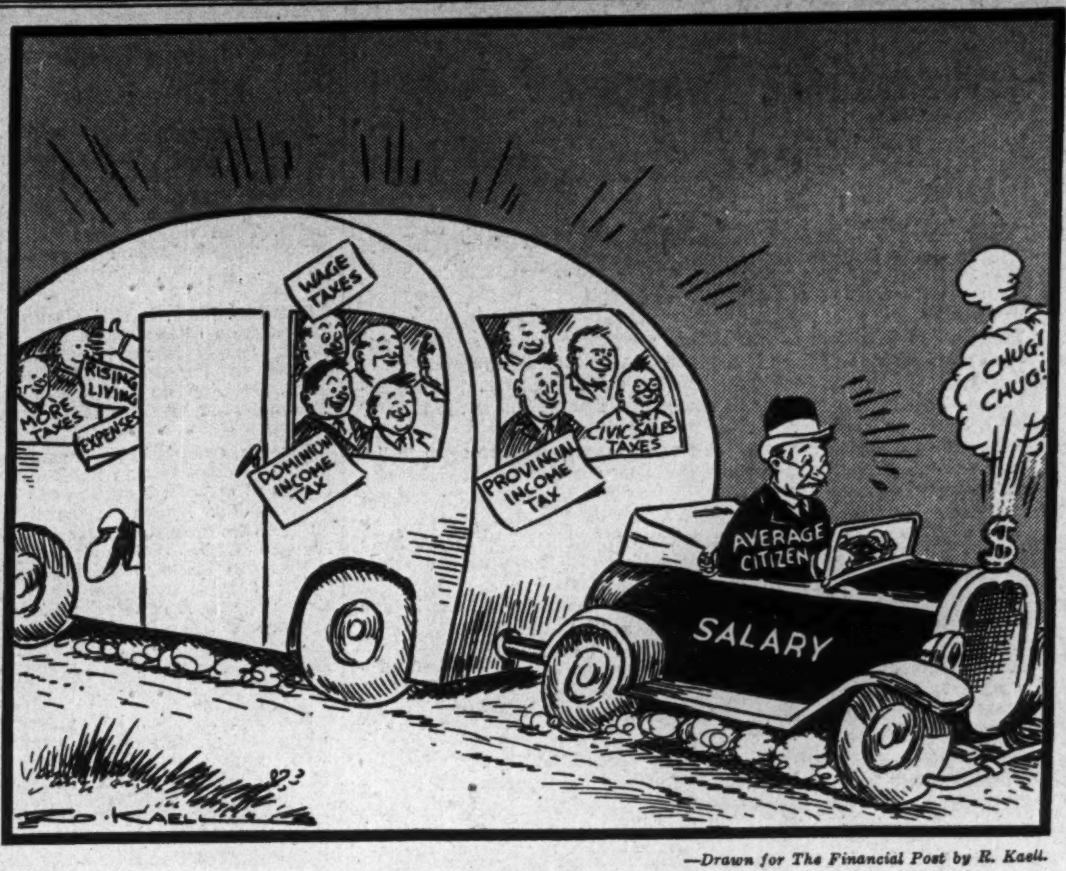
"We are sometimes prone to decry our own leaders — to blame them for not having offered a sudden and sure-cure-all for our economic ills." *—Thomas Bradshaw.*

* * *

"The capitalist system has grave defects. There are inequalities in it. But it has built the greatest productivity in the history of all mankind." *—Colonel Frank Knox.*

* * *

"Mistakes in our farm policy are being so clearly exposed that the result is there are to be smaller imports of agricultural products from foreign lands and better opportunities for American farmers."*—Floyd W. Parsons.*



—*Drawn for The Financial Post by R. Kaell.*

THE TRAILER CRAZE

"The News Behind the News"

The Canadian Statesman, Bowmanville

Mere mention of that splendid weekly publication, The Financial Post of Toronto, to some people, conjures up in their minds a journal full of tabulated stock market quotations, and articles devoted entirely to, and of interest only to big business and financial men. If more average Canadians read The Financial Post they would have a far better understanding and correct view of Canadian affairs.

It is true one can get a general résumé of the news in the daily press, but few dailies take the time or trouble to delve deep enough to "get the news behind the news" such as The Post does.

In the most recent issue of The Post was an article on the Government's Housing Programme, but The Post did not stop, like most newspapers, with a general account of the plan. It sent 5 members of its staff to question important officials on every angle of the scheme, with the idea in mind "does it answer all the questions that are left in the mind of the average intelligent citizen when he reads the article." The ramifications of Social Credit are also dealt with in the same issue and one could not possibly realize the danger in the system were it not so fully and logically explained by a paper of The Post's independent standing and reliability. The Post has several other articles of prime importance, which it deals with, not merely as news, but offers probable solutions in the light of the extremely wide experience of its trained editors.

Again we say that if more people read The Financial Post, Canadian people in general would be much better informed on Canadian and world problems.

Who Are the Lenders?

Penetanguishene Herald

Premier Aberhart of Alberta is doing some strange things. The province which has already repudiated its contracts with the investors who purchased government bonds, is insisting that all municipalities and private citizens shall follow its questionable example. It does not matter whether a municipality or a citizen is willing and able to pay debts or not, the lenders are to be denied their rights.

And who are the lenders? They are, in the main, the small investors who have thriftily saved part of their income, and lent it out at interest or bought government and municipal bonds, which is in effect the same thing, or they are life insurance policyholders or shareholders in mortgage companies, banded together for purposes of thrift and security. A few very rich people may be hit, but the great bulk of those who suffer will be the careful citizens who have put something away for old age. They have denied themselves the use of their money and allowed others to have it in consideration for return in interest. And now Mr. Aberhart's Government says the borrowers are to be allowed the use of that money for nothing.

What right has any government to declare that private contracts are invalid? Even though it had it will be extremely difficult to apply such power fairly. Suppose, for example, that "A" had bought an automobile from "B", on the installment plan, agreeing to pay 7% interest on the unpaid portion of the deal. Under the new law all payments made on interest will be applied to principal. How will it be possible for the dealer to pass his loss back to the motor manufacturers in another province? It simply cannot be done.

The Financial Post calls upon the Dominion Government to veto these acts of the Alberta administration. As a general rule such power should be used very sparingly, but since the Canadian Government has loaned many millions to Alberta, and since the good name and credit of all Canada is at stake, such radical and Communistic legislation should be quashed before it has a chance to go into operation.

Elibank's Bluff

A dispatch from Revelstoke, B.C., which reaches The Financial Post via the Gaumont-British publicity bureau, London, Eng.

REVELSTOKE. — Viscount and Viscountess Elibank penetrated into the Valley of the Ten Peaks near here to view at close hand the shooting of "The Great Barrier," Gaumont-British film epic of the construction of the C. P. R.

The distinguished visitors climbed a rock to see Richard Arlen and J. Farrell Macdonald in action against a tremendous background of peaks and cliffs and, during a rest, the suggestion was made that the pinnacle on which they were seated should be named after Lord Elibank.

The selection of a suitable name caused discussion until a member of the Gaumont-British unit urged the adoption of "Elibank's Bluff"—which brought a big laugh all around.

There was another outburst at the proposal that the news regarding "Elibank's Bluff" should be wired to Mr. Ian Mackenzie, Minister of National Defense at Ottawa, with whom Lord Elibank seemed to be having a bit of argument."

As Others See Us

Canada's "Big Three"

Brockville Recorder-Times

There are 3 chief sources of Canada's national income, exports of wheat and wheat flour, exports of minerals and the tourist traffic, and, taking the 3 of them together, The Financial Post estimates that during the present year, they will be larger than they were in the peak year of 1929.

In view of these and other much-improved factors in the position of the Dominion, it is surprising to find many people continuing to think and speak in terms of depression outlook. Daily, Canada is rapidly emerging from the slough of that period and in various respects her business position is even better than it was during the "good times" of 1929.

Council-manager Plan

Chatham News

When the city of Chatham adopted the Council-manager form of government, it was freely predicted that many other cities would fall in line with the innovation, and accept similar systems of municipal control. But the municipal mind moves slowly, and progressive ideas are not accepted as freely as they might; probably due to the fact that existing methods of government are so cumbersome, and prejudice is so firmly established in the minds of voters who are swayed more by the talk of politicians rather than their own serious thoughts on the matter of public control.

But, at the same time, there is undoubtedly a firm conviction in the minds of municipal electors everywhere, that there is room for improvement in civic administration; and it is not surprising to find many of them ready to at least investigate the city-manager form of government.

The effect of the Council-manager form of government in Chatham was impressively outlined by The Financial Post, as recorded in these columns, a few days ago. Chatham occupies a place among the leading municipalities in presenting an excellent financial statement. We believe it is due to our system of control, for, while we still elect a mayor and aldermen, we have the services of a city manager, who is a tower of strength in preserving a continuity of civic policy, and efficiency in the management of business details. His knowledge of civic business, and his experience in meeting various difficulties which have a habit of arising from time to time is of the utmost value to inexperienced public servants who are desirous of rendering the best service to their community.

Making the Consumers Tax Conscious

St. Catharines Standard

The difficulty in making people tax conscious is because of the invisible taxes which the public pay, and which few people have any idea they are paying. It is fully brought out this week by The Financial Post in the case of cigarettes, and while this case is a striking one, the same thing runs the whole gamut of everyday living expenses of the public.

When a package of cigarettes is retailed at 20 cents, the retailer gets a little over 4 cents, the manufacturer just under 5 cents and the government gets over 10½ cents.

Perhaps stiff taxes on luxuries is just as it should be. Beer and liquor consumers have little idea how much they contribute to government coffers, and the people who don't indulge at all, or smoke, are ahead of things by hundreds of dollars a year. But as regards tobacco, it would be a far better all round condition if the grower, the worker and others secured a substantial part of what the government now receives, which would result probably in higher consumption, but also more work and higher production at enhanced profit.

Invisible taxation is a common resort of all governments, but it has the same effect on the general economy of a country as any other tax impost, except that people do not holler over it.

Can Montreal Come Back?

Pembroke Bulletin

"Montreal dangles on the brink of bankruptcy," says a headline in The Financial Post. The writer can remember during his college days in Montreal, now nearly 50 years ago, that this city was considered the most wealthy in Canada. On every hand there was evidence of great wealth. Conditions have changed. The increase in debt in 17 years is 170%. The uncollected taxes amount to 18.1 millions of dollars, and during the last 4 years the city's portion toward relief has been $6 millions. All told, therefore, it will be seen the city, due to poor municipal government, is in poor condition. The population of Montreal by racial extraction is divided as follows: French 64%, British 22%, others 14%. Will Montreal stage a comeback?

Canada's Future

Brockville Recorder-Times

Canadians are sometimes accused —and not always without some cause—of doing a trifle too much boasting about their country, the progress it has already made and the very promising future that lies ahead of it. In view of a common tendency toward exaggeration in this respect, it is interesting to have people from other parts of the world confirm the idea that Canada is going places and when such prophets possess a certain standing and influence this is all the more gratifying.

Among the prominent men who have lately visited Canada has been Lord Rothermere, the British newspaper magnate, who has been telling The Financial Post of the good things which he believes are in store for the Dominion, provided there is no world war.

It was a far-seeing statesman not given to extravagant prophecy who declared a good many years ago that the 20th century world would belong to Canada. This contention has been derided upon various occasions—especially during the difficult years through which the Dominion, in common with the rest of the world, has been passing. But there are signs on every hand that this country is again picking up speed and recovering lost ground with every reasonable expectation that it will go forward to additional triumphs in the future.

Other People's Views . . . . . .

Aberhart and the Press

Winnipeg Free Press

Mr. Aberhart says the newspapers must be made to print "the truth." But what is the truth? For Mr. Aberhart the truth—in the sphere of economics and politics—consists of a set of propositions which other people regard as untrue and even as nonsensical. Newspapers under Mr. Aberhart's control would print this special brand of "truth." In other words, they would become propaganda sheets for an opinion for one side in a controversial issue.

Dictator in Canada

Halifax Herald

Premier Aberhart of Alberta does not like the newspapers. Some of the newspapers in Alberta do not like Mr Aberhart's policies.

On Sunday Mr. Aberhart made a radio speech suggesting that he has in mind the licensing of the newspapers. He charges them with being untruthful. His plan is to make them truthful by making it possible for them to operate only if the government will grant a license. Mr. Aberhart would then have control of the press; he could cancel the license of a newspaper that irritated him. The public would receive only the truth as Mr. Aberhart regarded it as the truth. Mr. Aberhart would be in a position to suppress all views that did not conform with his own.

This is shocking talk to hear in a democratic country like Canada. It portends a suppression of free speech; it connotes the rise of the dictator. It affects not only the newspapers but infringes on the ordinary rights of the citizen.

Stop Me If You've Heard This One . .

Scotchman—"Doctor, what can I do to prevent seasickness?"
Doctor—"Have you a dime?"
Scotchman—"Yes, sir."
Doctor—"Well, hold it between your teeth."

In the Mail

(Not over 200 words, please)

A Maritimes View

Editor, The Financial Post:

And so you would amend the Constitution.

Why has it not become clear to central Canada, that they cannot amend that document, without the full consent of those who own it? Did not New Brunswick make clear, last winter in Ottawa, that this is a fact? What England's Privy Council metes out to Australia, has no bearing upon our situation in Canada, so why talk about that?

The B.N.A. Act, was an honest contract, framed by real statesmen, but what has happened? Central Canada has done everything in its power, since 1867, to keep its constructive principles away from the people, especially those most concerned; Nova Scotia and New Brunswick. While these 2 provinces have fulfilled to the letter, every vow they subscribed to in that Act, central Canada—the "other party to the contract"— has never as yet made the slightest attempt to honor their part therein. Until now have they reached a point, from which they are daring to suppose that the people of these Maritimes, have through the ravages of time, lost all track of that fine old document, and are attempting to read into it conditions which it does not contain.

The real trouble is not with the B.N.A. Act, but wholly with central Canada.

A.F.C.

Cumberland Bay, B.C.

Blaylock Shares Credit

Editor, The Financial Post

Your recent article on industrial relations at Trail gave me the entire credit for the very satisfactory conditions existing here. This is most unjust because although I can claim to be responsible for the co-operative committee, this could not have been satisfactorily worked out without the full co-operation of the president, directors and other officials. This co-operation has always been forthcoming, besides which many of the most important benefits given to the men have originated in the minds of the president, J. J. Warren, the late comptroller, T. W. Bingay, and other members of the staff.

S. G. BLAYLOCK,
Vice-president and general manager, The Consolidated Mining & Smelting Co. of Canada.
Trail, B.C.

The National Financial Crisis

Editor, The Financial Post:

The Minister of National Revenue, speaking at a recent meeting of the Nova Scotia Liberal Association at Halifax, announced that Canada's export trade is rapidly reaching the billion dollar mark, and there is no reason why it should not go above it, and then prosperity, and abounding prosperity will come.

Now in your issue of September 26 is published a letter from a much respected retired university professor, who sees Canada in the midst of a gathering financial crisis, due to federal, provincial and municipal waste, extravagance and worse, together with the burden imposed by the dead weight of the National Railways. Moreover your correspondent finds, at the keystone of the arch, the Dominion Government leading the way in sowing broadcast the wild oats of overexpenditure and overborrowing.

In view of the serious divergence in the national financial pictures portrayed by 2 highly placed men it would seem desirable to have an unbiased critical judgment on the 2 pictures presented. Who is better qualified to render judgment in this financial embarrassment than the well-informed Financial Post.

MALCOLM CAMERON.
Ottawa, Oct. 2.

Editor's Note.—The Financial Post has reported the rising wave of recovery. It has warned of financial difficulties yet unsolved. It cannot say which will win the race between Recovery and Financial Crisis.

The taxpayers would like to have both Recovery and a budget balanced by reduced expenditures. They are entitled to both.

Alberta's Default

Editor The Financial Post:

Not only has Alberta cut its interest rates in half but interest on its municipal bonds is also cut to 3%. The province has put itself in a position of refusing to pay its contractual obligations made in good faith but is at the same time receiving full interest on its investments outside of the province.

I suggest that a clearing house be set up and that interest on all Dominion, provincial and municipal bonds held by the province and municipalities of Alberta in their sinking funds, be paid into it; and also dividends on all shares and bonds of industrial corporations held by people living in the province of Alberta.

In the case of bearer bonds, this can easily be arrived at by an examination of the tax certificate. All holders of Alberta and Alberta municipal bonds, residing outside of the province, would then forward their coupons to the clearing house. The clearing house would then collect these coupons, or the 50% on them, and hold back revenue upon the Alberta sinking fund investments, etc., to pay the balance of 50% which the province is refusing to pay to the external holders of the bonds.

After all there is no reason, if the Province of Alberta is only willing to pay one-half of its liability, that it should receive any more than that in return.

I suggest that the life insurance companies pay all death claims in Alberta provincial municipal bonds and all dividends to Alberta policy holders in Alberta coupons. There is no reason that policyholders throughout the world should pay for the default in this province which is caused through the majority of voters in Alberta voting for this type of government.

While the Province of Alberta may be entitled to make this Social Credit experiment, it has no right to arrive at its solution through dishonest methods. It seems the only way to check this tendency is by retaliatory methods, such as I have outlined above.

O. ST. P. AITKENS.
Kelowna, B.C.

Week in Business

Carloading Gain Small Despite Current Peak

Returns in First 9 Months Still 30% Below 1926-1930 Average — Employment Returns Continue Satisfactory — Trade Paths Clear

October marks the peak movement of carload freight in Canada and latest weekly returns show the largest volume for any week for the past 5 years. Cumulative figures are not as encouraging, since volume carried in the year to date is but 4.2% greater than in 1935. Despite a virtual crop failure the most important factor in the increase has been higher grain loadings which are 17% ahead of 1935 and account for exactly half the total increase for 1936. This is largely hold-over from the old crop and early marketings of the new. Subsequent grain movement will probably be small.

Other groups to show gains are livestock up 16%; pulp and paper loadings up 14%; ore movement up 12% and coke 11%. Coal loadings are higher by 9% due to the bonused movement of Eastern coal to central Canada markets. One interesting fact about forestry products is that despite the gain in pulp and paper, the group as a whole is down 2% reflecting the fact that most of the increase in lumbering activity is benefitting water-borne rather than rail carriers. Similarly the familiar business barometers of miscellaneous and merchandise freight are disappointing with a gain of less than 1% for the year to date. In part this is a reflection of increased trucking activity as emphasized the other day by S. W. Fairweather of the C.N.R. who estimated the loss of freight to Canadian railways due to commercial trucking was about $38 millions. It is also accounted for by a sharp falling off in movement of miscellaneous freight in western Canada this year.

On balance the picture shows no striking evidence of nation-wide recovery and few real indications of returning prosperity for the railways, since tonnage is still 30% below the five-year average of 1926-1930. Even after allowance for short grain crops, the gains in other commodities are not impressive.

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Latest news from the devaluation front bears out the view expressed in this column last week, that when the smoke of monetary action lifts the way will be clearer toward increased trade with European countries formerly on the gold standard. Italy has already lifted trade barriers against a wide range of goods—particularly wheat and other foodstuffs—while similar action is expected by France. The French tariff reductions announced at the end of last week are mostly on items in which Canada is not primarily interested.

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September Employment Gains

Employment in 2 score industries and occupations reached record or near-record levels on Sept. 1, according to the monthly figures of the Bureau of Statistics. After allowance for seasonal fluctuations the index for all Canada stood at 102.7 compared with 98.5 for the same period last year but within this total the story of individual industries varies widely.

Thus at the top stands employment in metallic ore industries which broke into new high ground at 265. This means that after allowance for seasonal fluctuations there are now 265 men at work in that industry compared with 227 at this time last year and only 100 in the base year 1926. Other groups with employment figures equalling or exceeding anything in the past 5 years were: leather, paper products, printing and publishing, rubber, textiles, machinery, non-metallic minerals (except coal). Other groups to make the best showing in 4 years were musical instrument firms, electric current plants and steam railways.

Telephone companies reported the largest number employed since Sept., 1933, while furniture plants made the best showing (with one exception) since March, 1932. The furniture showing is of special interest in view of the difficulties anticipated by this industry as a result of the U. S. agreement. Employment is not yet back to normal (the index stands at 86.8 after seasonal correction) but it compares favorably with a low point of 60.5 in April, 1933.

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Pot Pouri

Recent reports show industrial activity favorable and improving at Galt, Guelph, Barrie and Hamilton in Ontario; and at St. Hyacinthe, Lennoxville and Sherbrooke in Quebec . . . . Lethbridge began its beet harvesting a few weeks ago and expects yields to be 10 tons to the acre or approximately 200,000 tons with 60 million lb. of sugar . . . . Regulations to govern the motor vehicle repair trade in Ontario, as a result of its being organized under the Ontario Apprenticeship Act, have been announced.

Favorable

Construction Contracts awarded in September rose 12% although cumulative figures for the year to date are still behind corresponding totals for 1935.

Business Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

WEEKLY DATA	Latest 1936	Latest 1935	Cumulative Total Jan. 1 to date 1936	Cumulative Total Jan. 1 to date 1935
Transportation—				
Car loadings (Sept. 26)	▲59,835	55,766	1,789,022	1,716,748
C.N.R. gross earn. (Sept. 30)	$ ▲5,916,339	$ 5,146,030	$ 134,648,312	$ 125,128,967
C.P.R. gross earn. (Sept. 30)	$ ▲4,670,000	$ 4,811,000	$ 99,940,000	$ 91,035,000
Business Conditions—				
Weekly index D.B.S. (Sept. 26)	▲116.0	95.1	......	......
MONTHLY DATA	1936	1935	1936	1935
Business Conditions				
Financial Post index (Aug.)	122.6	104.2	......	......
Transportation—				
C.P.R. net revenue (Aug.)	$ 634,484	$ 508,339	$ 8,404,584	$ 8,096,540
C.N.R. net revenue (Aug.)	$ 680,581	$ 569,672	$ 3,242,824	$ 3,843,331
Iron and Steel (August)—				
Pig iron production (tons)	38,570	54,414	413,893	364,704
Steel ingots and castings prod. (tons)	80,164	82,488	727,657	556,752
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Aug.)	4,407	3,950	72,686	67,251
Factory output (Aug.)	3,051	5,524	97,607	105,385
Trucks and Buses:				
Domestic sales* (Aug.)	1,487	1,415	16,289	13,644
Factory output (Aug.)	1,609	2,168	23,476	26,701
Exports (Aug.)	2,748	5,005	36,838	48,077
Construction—				
Building permits (August)	$ 3,672,845	$ 4,311,968	$ 25,788,767	$ 33,348,881
Contracts awarded (Sept.)	$ ▲16,558,500	$ 14,743,100	$ 127,671,600	$ 132,724,200
Newsprint (tons)—				
Production (Aug.)	270,053	236,060	2,033,943	1,755,209
Exports, tons (Aug.)	257,576	220,866	1,851,918	1,603,875
Sugar (lb.)—				
Melting & sales§ (raw)	82,662,963	74,223,266	580,793,073	556,294,119
Manufactured§	78,496,030	71,183,208	559,416,632	550,624,612
Flour (bbls.)—				
Production (July)	1,300,667	991,559	7,828,026	6,134,108
Wheat flour exports (Aug.)	387,728	376,562	3,123,805	3,014,739
Trade—				
Retail trade (index no. of sales) (August)	▲75.1	69.6	......	......
Imports (August)	$ 50,257,754	$ 49,560,063	$ 397,883,401	$ 358,346,853
Exports (August)	$ 93,529,756	$ 76,638,360	$ 603,043,991	$ 493,244,579
Wheat exports (bush.) (Aug.)	21,157,268	21,698,284	141,657,362	75,861,440
Employment, D.B.S. Index (Sept. 1)—				
All industries	▲107.1	102.7	......	......
Manufacturing	▲105.9	100.8	......	......
Electric Power Output (Aug.)—				
Total monthly m.k.h. (000's omitted)	2,020,100	1,851,153	16,481,034	15,022,791
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (August)	168,440	164,542	976,922	853,633
Boot & shoe prod., pr. (July)	▲1,666,578	1,728,192	12,708,662	12,392,432
Crude petrol. imp. gal. (Aug.)	146,313,749	126,725,500	745,098,829	721,008,757
Cotton imports, lb. (Aug.)	7,096,721	7,027,596	82,533,491	76,992,046
Raw rubber imp., lb. (Aug.)	8,466,684	6,303,645	38,172,733	39,198,312
Coal imports, tons (Aug.)	▲1,558,179	1,523,828	8,003,914	8,097,988
Finance—				
Bank debits (Aug.)†	$ 2,619,152	$ 2,497,602	$ 22,759,663	$ 20,258,840
Bond sales (Aug.)	$ 27,077,666	$ 121,920,753	$ 831,838,315	$ 456,940,335
Life insurance sales (Aug.)	$ 25,011,000	$ 26,854,000	$ 245,344,000	$ 240,564,000
Automobile Financing (Aug.)—				
Used cars	$ 2,389,869	$ 1,712,378	$ 18,295,965	$ 13,294,463
New cars	$ 2,203,440	$ 1,692,405	$ 22,659,029	$ 17,356,934

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to September 5.

Investment Information

We are glad to furnish investors with information and quotations on any Government, Municipal, Public Utility or Industrial Bonds in which they may be interested. Our statistical records cover most Canadian issues.

Correspondence enquiries invited.

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LITTLE WHEAT BUT LOTS OF SUGAR

LETHBRIDGE. — Southern Alberta's light grain crop is being somewhat offset by the splendid sugar beet crop now being harvested. The farmers will harvest beets from some 20,000 acres and deliver to the old Raymond factory and the new factory (shown above) at Picture Butte on the Lethbridge Northern irrigation block, some 200,000 tons of beets from which will be manufactured roughly 60,000,000 pounds of sugar. Since 1925 when the Raymond factory was built, peak production prior to the present season was reached in 1934 when 53,000,000 pounds of refined, granulated sugar were manufactured. Upwards of a million and a half dollars will be distributed to the growers for beets and another three-quarters of a million will be paid out in wages, salaries, etc.

The Picture Butte factory is owned by Canadian Sugar Factories, Ltd., a subsidiary of the B. C. Sugar Refining Company, Vancouver. The new factory is the last word in beet sugar factory construction. The concrete bulk sugar bins are a feature of real interest as they are unique in the industry. Farmers have long pressed for a second factory as they felt that sugar beets, a cash crop, would stabilize their farm programme. In this they are correct for beets keep the soil clean and rich, provide employment for many and give the farmer a large amount of valuable by-products for livestock feeding.

The establishment of the new factory, some 20 miles from this city, has helped business the past summer and will continue to do so as a large staff will be employed for the next 3 months and also a regular staff. The town of Picture Butte has grown from 25 inhabitants to 700 and has stores, garages, schools, churches, shops, and amusement houses for a much larger population. The plant represents an investment of perhaps $1.5 million.

Background of Business

Rail Employees Seek Former Wage Basis

100,000 Workers Would Wipe Out 10% Wage Cut—New Maritime Air Service Planned

Cessation of the existing 10% wage cut from basic wage rates is sought by Canadian railway employees. Last week an application was filed for a board of conciliation and investigation under the terms of the Industrial Disputes Act.

The move affects approximately 100,000 railway employees throughout the Dominion in all branches of the service. The application aims to eliminate the deduction of 10% from employees' pay cheques which has been in effect since May 1, 1935, and also restore the basic rates provided for in a general agreement reached November 1934.

Failure of the railways to agree to the request of the employees has resulted in the application of the board of conciliation.

History of Dispute

Railway wage rates rose to a record peak in 1920 when the Department of Labor index reached 221 (basis, 1913 equals 100) then dipped in 1922 following a 12% cut. By 1929 gradual increases brought the index back to 204. On Dec. 1, 1931, a 10% reduction was made and in 1933, earnings of train, telegraph and engine service employees were subject to a deduction of 20% from May to October inclusive and 15% thereafter. The deduction for most other classes was increased to 15% in December. Toward the end of 1934 it was arranged that the general deduction of 15% would be changed to one of 12% on Jan., 1935, and to 10% on May 1, 1935. It is this latter arrangement which employees now seek to amend by wiping out the cut entirely.

Latest available figures place total wage and salary payments to railway employees in Canada in 1935 at $172.9 millions. For those on hourly rates the average wage received in that year was 55.7 cents compared with 59.5 cents in 1930. Comparative figures follow:

	No. of men employed	Hourly rate c.	Wage index*	Total compensation ($ 000,000)
1929	187,846	55.1	204.3	290.7
1930	174,485	59.5	204.3	268.3
1931	154,569	60.2	199.2	229.5
1932	130,192	56.8	183.9	181.1
1933	121,923	54.4	179.7	158.3
1934	127,326	53.1	173.7	163.3
1935	127,526	55.7	183.9	172.9

*Dept. of Labor index. 1913 equals 100.

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Shift to Seaside?

Maritimers and the Pacific Coast are taking kindly to the suggestion of J. E. Ray, former Canadian Government Trade Commissioner, who wrote recently in Canada's Weekly suggesting that Canada's industrial plants may tend to move nearer to the Atlantic seaboard as the Dominion's export of manufactured goods expands.

"Sooner or later," says Mr. Ray, "if Canada is to develop trade in manufactures on a large scale, the question of factory location may have to be seriously considered by industrialists. Nearly 80% of Canada's industrial plants are situated hundreds of miles from the Atlantic seaboard and much greater distances from the Pacific Coast.

"In Nova Scotia and New Brunswick the number of industrial plants is infinitesimal compared with Ontario and Quebec. Yet location in the Maritimes would be an invaluable asset in competing for trade in the United Kingdom, the Continent, the West Indies, and Latin America on the Atlantic side. Regarding the Orient, Australia, New Zealand and other countries, would not factory location in British Columbia be an asset of no mean worth?"

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Threatens Wholesalers

Premier Aberhart's dislike of wholesalers is still worrying that fraternity in Alberta, according to Canadian Grocer, which reports the Premier as urging on a delegation of retailers the opening of warehouses so they could perform the wholesaler's function.

It is reported the Premier has threatened to take this step unless the retailers take it first. Foodstuff and clothing are being directly mentioned at the present time.

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Maritime Air Service

A combination freight and passenger service between principal Maritime points is expected to be in operation shortly under the aegis of Eastern Canada Airlines.

Five airplanes especially designed as freighters were christened recently in England by Lady Shelmerdine, wife of the director-general of Civil Aviation. The planes are named after the 5 chief cities between which they will operate, Moncton, Halifax, Saint John, Sydney and Charlottetown.

The planes have been built in England by General Aircraft Co.

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Orient Trade Mission

Seeking to expand trade relations with the Orient, a trade mission to China and the Far East under the auspices of the Canadian Chamber of Commerce, with the support of the Department of Trade and Commerce and the co-operation of the Canadian Manufacturers' Association, is planning to leave Vancouver, January 19, 1937.

The mission will visit Honolulu, Shanghai, Nanking, Hong Kong, Canton, Saigon, Angkor, Bangkok, Singapore, Yokohama, Kobe and Nagasaki, with optional return sojourns at Peiping, Mukden, Seoul and Tokio. Members of the party will return to Vanvouver, April 7, 1937.

Round table conferences are being arranged for business purposes in the principal cities included in the itinerary.

Planned for last year, the mission has been extended to include French Indo-China, Siam and the Straits Settlements.

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Tri-Weekly Trains

Possibility of a 15 to 20-million bushel harvest from Peace River has led to demands that a tri-weekly train service over the Northern Alberta Railways be undertaken. This type of service was cancelled by the N. A. R. management after a short trial some years ago on the basis that the volume of business did not warrant its continuance at that time.

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Theatre Tax Up

An additional tax of 2 cents has been levied on 35-cent admission tickets to Nova Scotia theatres, according to a revision in the Theatre, Cinematographs and Amusements Act by the Governor-in-Council.

The former schedule set the tax on 35-cent admission as 3 cents. It is now 5 cents.

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Sue For Tax Arrears

The provincial government is launching some prosecutions against Ontario corporations, which are in arrears of taxes to the provincial treasury. It is reported there are some 1,500 prosecutions to be made.

The arrears are said to date back as far as 1933 and run into thousands of dollars.

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Lamp Prices Cut

Effective October 1, Canadian lamp manufacturers have made a reduction in the price of certain large sizes in both clear and inside-frosted electric lamps, says Hardware & Metal. A reduction is also made in the new type of 3-lite lamps, and in a number of special high and low-voltage lamps.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.20	$6.15	$6.75
Hogs	8.65	8.85	9.65
Copper, lb.	.09¾	.09¾	.09
Cotton, lb.	.1245	.1234	.1135
Rubber, lb.	.1647	.1644	.1212
Sugar, raw, lb. ..	.0335	.0340	.0365
Silk, lb.	1.67	1.68	2.03
Wheat (Man.) bus.	1.09⅝	1.07⅜	.96
Coffee, lb.	.08⅛	.08⅛	.07
Hides	11¾	.11¾	.11¼

Weekly Indices

	Latest week	Previous week	Same week last yr.
N. Y. Annalist	127.8	127.6	128.7
Fishers'	84.0	84.0	85.6
N. Y. Journal of Comm.	82.0	81.6	82.3
Crumps (Brit.)	71.7	71.4	66.8
U. S. Labor	81.5	80.9	80.8
Canada (D.B.S.) ...	76.6	76.2	72.7

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Aug.)	81.2	80.5	79.4
W'sale (Aug.)	76.2	74.4	71.7
U. S. Labor (July)	80.5	79.2	79.4
Gt. Brit. (July) ...	82.0	81.1	77.1

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis: Hides—No. 1 packer light native cows, New York; Hogs — select bacons, Toronto.

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Distillers Plan Issue

Sale of $15 Millions Preferred Will Clean Up Bank Loans

From Our Own Correspondent

MONTREAL. — Distillers Corp.-Seagram's Ltd., proposed issue of $15 millions of 5% preferred stock will be handled by Brown, Harriman & Co., of New York, and will be offered publicly some time during the third week of October.

Each share of the new preferred will carry a warrant, good for 5 years, and nondetachable for 18 months, entitling the holder to subscribe to one share of common stock, at a price to be determined later. An unusual feature of the issue is that dividends will be payable and the stock redeemable in United States dollars.

The company has outstanding at present $17.5 millions of bank loans under credit arrangement with a group of banks covering a $20-million line. Upon issuance of the preferred stock, this arrangement is to be cancelled and will be superseded by an arrangement with the Bankers Trust Co. and Manufacturers Trust Co. of New York, making available $5 millions credit for 5 years.

Harvey D. Gibson, president of the Manufacturers Trust, and Gen. F. R. Schwengel, associated with the company for the last 2 years, have been elected directors, the board now numbering 6.

Proceeds of the preferred stock issue are to be used for retirement of bank loans, incurred in connection with building up whisky inventories for aging, and for plant construction principally of the Seagram and Calvert plants at Louisville, Kentucky.

Period of Expansion

In his annual report to the shareholders, Samuel Bronfman, president, pointed out that inventories of whisky, gin and other spirits on hand July 31 last, showed an increase from 29 million U. S. proof gallons last year to approximately 49 million U. S. proof gallons this year, carried on the balance sheet at $23.7 millions including casing, freight, duty and taxes where such had been paid.

Since the close of the company's fiscal year on July 31 last, stocks of alcohol have increased to slightly more than 50 million gallons of whisky, of which 38 million are in the United States. The company's plants in the United States now have a capacity of approximately 140,000 gallons a day.

Attention to Investment Problems by Mail

Letters from clients asking for information on investment subjects or desiring to buy or sell securities receive prompt and careful attention. Transactions by mail with many of our out-of-town clients have been carried on for years with satisfaction.

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"QUARTERLY QUOTATIONS"

—An *Index* to Bond *Prices*

The October issue of our *Quarterly Quotations* is now available. In this publication we give approximate *bid* and *asked* prices on an extensive list of government, municipal and corporation bonds, as well as other information of general interest to investors.

A copy will be gladly mailed upon request.

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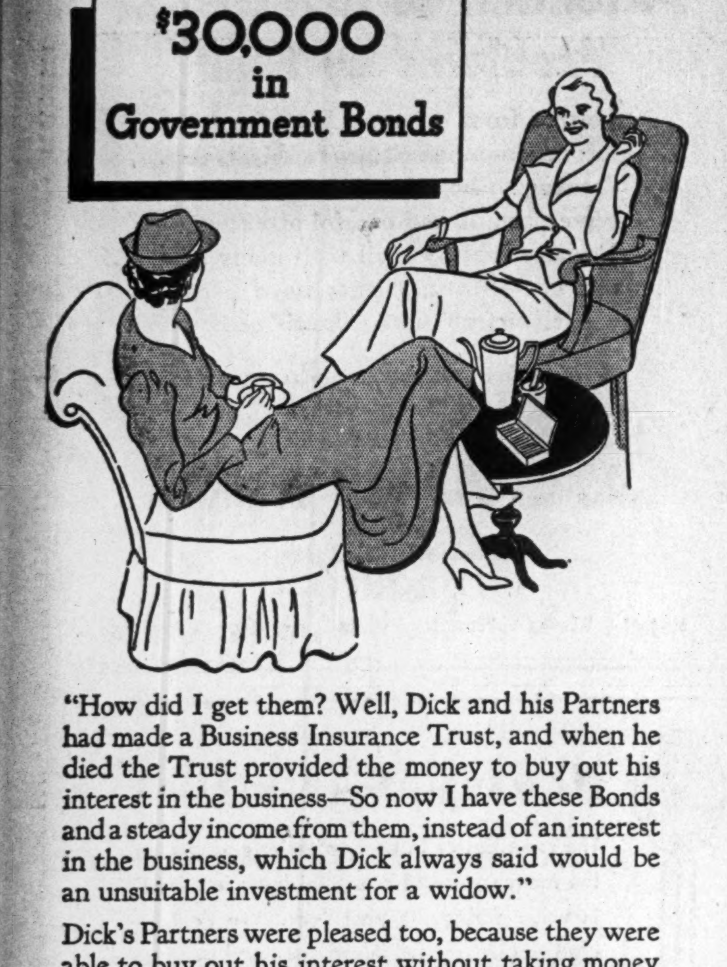

$30,000 in Government Bonds

"How did I get them? Well, Dick and his Partners had made a Business Insurance Trust, and when he died the Trust provided the money to buy out his interest in the business—So now I have these Bonds and a steady income from them, instead of an interest in the business, which Dick always said would be an unsuitable investment for a widow."

Dick's Partners were pleased too, because they were able to buy out his interest without taking money out of the business, and because they were able to carry it on without fear of outside interference.

"BUSINESS INSURANCE TRUSTS" *are fully explained in our booklet—Send for a copy.*

3614

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FIRE ASSOCIATION
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Bank Chat

Dollar Devaluation

SO MUCH discussion on devaluation in other countries brings up the fact that Canada herself has not devalued—officially.

When the dollar is quoted in the newspapers, by financial institutions and others as at par in terms of American currency, as has frequently been the case in the last 3½ years, the quotations are materially in error. Actually, what has been regarded by most Canadians as "par" has represented a discount of 40%.

Canada's position is somewhat of an anomaly. She has followed a middle course between the English and American practice. But in this instance it does appear she should give official recognition to what has been for years an established fact.

The United States has both written up the value of its gold holdings in line with the $35 price of gold, and has reduced the gold content of the dollar. Great Britain has done neither. Canada has written up the value of gold holdings but has failed to cut the gold value of the dollar. That is, officially $20.67 will buy one ounce of gold. As it takes $35 American dollars to purchase the same amount, the true parity of exchange between the 2 countries is when one Canadian dollar is worth $1.6932 in the United States.

* * *

Out of the West

DURING his recent trip through western Canada, Governor Graham F. Towers of the Bank of Canada, apparently earned for himself something of a reputation as "uninterviewable." Taking a tip from Montagu Norman, the young central bank head kept a very noticeable silence on questions of policy. For the most part his interviews consist largely in rather uninspiring comments on the weather, or on the admirable view which could be had from the particular place in which he was being interviewed.

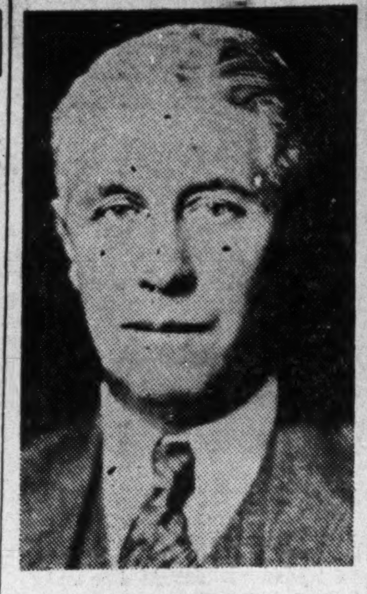
He did indicate, however, that Canada's new bilingual currency note would not be available for distribution until late in 1937. Explanation of the delay lies largely in a 6-month "maturing" period, which is designed to strengthen the notes against wear and tear when they eventually are placed in circulation.

* * *

Financial "Fun"

SPEAKING of central bank governors, it would not be the least surprising to hear that Montagu Norman, bête noir of newspaper reporters, had played a substantial part in effecting the international money agreement which is to control fluctuations of exchange.

Mr. Norman's "holidays" are usually associated with some major development and the "pleasures" in which he indulges while on these holidays are quite apt to be of a financial nature which will influence the entire world.



BANK DIRECTOR

W. G. Murrin, who has been appointed a director of the Bank of Montreal, to succeed W. A. Black. Mr. Murrin, a resident of Vancouver, is president of British Columbia Power Corp., and is a member of the directorates of a number of other companies, most of them in Western Canada.

Lost Money

Uncashed Cheques Are Reported by Royal Bank

Continuing the list of uncashed certified cheques, drafts, etc., the following balances with The Royal Bank remain unclaimed:

The Workmen's Compensation Board, Winnipeg, accident account, issued a cheque for $10 June 7, 1926. The money is at the Winnipeg head office.

Grosvenor Investment Ltd., Winnipeg, issued a cheque for $10 July 16, 1927 and another for $10 June 12, 1929. The money is at the Winnipeg head office.

Modern Electric Lunch, Winnipeg, issued a cheque for $45 Aug. 17, 1927. The money is at the Winnipeg head office.

Western Homes Ltd., Winnipeg, issued a cheque for $10 June 25, 1929. The money is at the Winnipeg head office.

E. Lineberg, Winnipeg, issued a cheque for $90 on Oct. 20, 1920. The money is at the Carlton and Portage Sts. branch.

Marriaga Hotel, Winnipeg, issued a cheque for $29.75 Dec. 30, 1909. The money is at the branch at 460 Main St.

City Light Co., Winnipeg, issued 3 cheques which have never been cashed—$15 Dec. 11, 1912; $13.25 June 7, 1913; $22.05 Dec. 12, 1913. The money is at the 460 Main St. branch.

J. H. Curle, Winnipeg, issued a cheque for $15 Dec. 20, 1912. The money is at the 460 Main St. branch.

The Providence Financial Corp., Winnipeg, issued a cheque per **R. Kramer** for $80 Feb. 24, 1920. The money is at the Main and Logan Sts. branch.

Grace Church, Winnipeg, issued a cheque for $10 May 8, 1918. The money is at the Portage Ave. branch.

The County Court Clerk of Gimli issued a cheque for $15 June 2, 1918. The money is at the Portage Ave. branch.

McMeans and Thompson, Winnipeg, issued a cheque for $45 June 17, 1919. The money is at the Portage Ave. branch.

The Acme Transfer, Winnipeg, issued a cheque for $25 May 14, 1920. The money is at the Portage Ave. branch.

Macdonald's Ltd., Winnipeg, issued a cheque for $300 May 7, 1923, and another for $25.35 June 9, 1923. Neither has been cashed and the money is at the Portage Ave. branch.

The Lyceum Theatre, Winnipeg, issued a cheque for $15 May 23, 1918. The money is at the Portage and Garry Sts. branch.

The School District of Lacombe issued a cheque for $10 Oct. 13, 1924. The money is at the Portage and Good Sts. branch, Winnipeg.

The Winnipeg Drug Co. Ltd. issued a cheque for $12.19 Aug. 3, 1930. The money is at the Carlton and Portage Sts. branch.

The Manufacturers' Life Insurance Co. issued a cheque for $6.70 Dec. 17, 1930. The money is at the Portage Ave. branch.

Continuing the list of uncashed certified cheques, drafts, etc., the following balances with The Royal Bank remain unclaimed:

Lillie M. Taylor of Toronto issued a cheque for $15.40 to the **Crown Life Insurance Co.** on Dec. 10, 1919. The company never got the cheque and the money is at the Gerrard and Greenwood branch.

Sun Insurance Office issued a cheque for $8.10 on April 12, 1930, and another for $6 on Oct. 24, 1930. Neither has been cashed, and the money is at the King and Church Sts. branch, Toronto.

Staff Changes

The Bank of Montreal has made the following staff changes:

M. W. RIEVE, formerly at head office, to be manager at St. Henri, Montreal.

A. A. STEWART, formerly manager at St. Henri, Montreal, to be manager at Westmount, Que.

J. A. LEMIEUX, formerly at head office, to be manager at Valleyfield, Que.

C. A. LACOMBE, formerly manager at Laurier and Lawrence, Montreal, to be manager at Mount Royal and St. Lawrence, Montreal.

M. BARIL, formerly manager at Mount Royal and St. Lawrence, Montreal, to be manager at Laurier and St. Lawrence, Montreal.

J. N. ROSSEAU, formerly at Montreal, to be manager at St. John's Gate, Que.

The Royal Bank has announced the following changes in staff:

H. J. WILSON, formerly at head office, to be manager at Bank and Somerset, Ottawa.

L. A. MURRAY, formerly at 1170 Yonge St., Toronto, to be manager at Centre, Niagara Falls, Ont.

R. S. FOSTER, formerly of the supervisor's department, Halifax, to be accountant at Saint John.

E. J. REYNO, formerly accountant at Amherst, N.S., to be manager at Louisburg, N.S.

W. C. DELANY, formerly at Louisburg, to be manager at Annapolis Royal, N.S.

D. C. V. MORRISON, formerly of the supervisor's department, Toronto, to be manager at Schomberg, Ont.

K. D. SIMPSON, Bay and Temperance, Toronto, and H. M. DOULL, Annapolis Royal, have retired on pension.

Weekly Bank Clearings

	Oct. 1 1936 $	Change year ago %	Sept. 24 1936 $
Halifax	2,171,202	—9.0	2,149,571
Saint John	1,755,017	—7.6	2,046,671
Sherbrooke	530,521	—14.2	684,713
Peterborough	606,929	—10.3	654,059
Quebec	3,723,671	—24.2	3,568,304
Montreal	105,790,697	+5.0	105,244,569
Ottawa	15,799,908	—21.1	15,841,003
Kingston	576,667	—13.7	638,583
Toronto	127,554,349	+16.1	126,694,507
Hamilton	4,826,129	—0.8	4,225,965
Kitchener	1,178,649	+1.0	1,067,242
Brantford	836,014	—3.1	993,055
London	2,562,118	—23.1	2,715,423
Chatham	471,222	+11.1	402,670
Windsor	2,515,044	+18.2	2,243,823
Sarnia	380,551	—9.1	445,794
Sudbury	988,690	+19.1	949,295
Moncton	756,767	+9.6	771,834
Fort William	739,938	+14.5	828,407
Winnipeg	75,851,186	+0.3	76,990,920
Brandon	399,608	+12.6	396,021
Regina	8,168,409	+15.7	8,614,935
Moose Jaw	845,305	+16.6	935,797
Saskatoon	2,210,381	—2.3	2,156,508
Prince Albert	398,322	—8.2	433,031
Edmonton	3,950,869	—5.8	3,906,890
Calgary	7,994,161	+3.0	7,280,400
Medicine Hat	290,430	—36.7	264,370
Lethbridge	592,372	—8.3	519,646
N. W'minster	753,345	—8.9	621,119
Vancouver	19,848,491	+8.0	19,406,498
Victoria	1,739,092	—8.0	1,762,222

FIDELITY
Insurance Company
of Canada
TORONTO

Smokers' Carelessness Greatest Fire Hazard

Most fires are avoidable. Particularly is this true of those attributable to smokers' carelessness. Yet this is the cause of more fires than any other single factor. No less than 11,705 fires are laid at its door for the year 1935, considerably more than twice the number ascribed to any other cause.

Many of the losses from these fires are small but the aggregate ranks third in dollar value. Insurance companies regard them as the curse of the business, combining a source of friction between the company and the insured, and a proportionately high overhead cost in respect to adjustment.

First as regards loss entailed, and second in number, are fires from stoves, furnaces, boilers and pipes. In 1935 these mounted to a figure of $2¾ millions. Most serious loss per fire was in those from exposure to fire in adjacent buildings. Although these numbered only 810, they involved a loss of almost $1.8 million.

The various causes of fire loss ranked in order of number, and giving the amount of loss for 1935 are as follows:

Causes of Fire:	Number of Fires	Property Loss $
Smokers' carelessness	11,705	1,780,513
Stoves, furnaces, boilers and pipes	4,801	2,757,174
Defective chimneys and flues	3,704	1,616,506
Electrical wiring and appliances	3,146	1,914,055
Hot ashes and coals	1,819	231,543
Sparks from open fires	1,669	497,530
Sparks from chimneys on roofs	974	547,820
Petroleum products and other volatiles	873	820,554
Exposure to adjacent building fires	810	1,767,741
Portable lamps, lanterns and open lights	736	94,488
Miscellaneous known causes	625	136,918
Lightning (buildings not rodded)	566	357,216
Children with matches	419	101,249
Incendiary	405	713,946
Fireworks	329	27,440
Hot grease, oil, wax, asphalt, etc.	219	48,022
Spontaneous ignition	204	136,885
Gas—natural and manufactured	101	85,026
Explosions (various)	83	74,191
Friction	41	19,761
Steam and hot water pipes	28	16,002
Hot and molten metal	18	807
Unknown causes	9,193	9,476,135
Total	42,468	23,221,521

Saskatchewan Hail Losses Drop to Record Low Total

Hail losses encountered by the Saskatchewan Municipal Hail Insurance Co. are this year about the lowest in history. Of a total of $21.3 millions at risk, losses were only $215,000, slightly more than 1%.

Insurance was carried on 6.3 millions of acres this year, 170,000 acres more than in 1935. The 1936 total was later cut by 970,000 acres, however, where crops were lost from causes other than hail. These cancellations do not affect the rates to be charged or the indemnities to be paid.

Although definite figures are not yet available for hail losses in Alberta, the Alberta Hail Insurance Board expects there will be a distinct increase over the 1935 total.

Ontario Agents to Hear Travelers' Executive

Major Howard A. Giddings, vice-president of the Travelers Insurance Co., of Hartford, will be the speaker at the convention banquet of the Ontario Fire and Casualty Agents' Association, Oct. 15. Noonday speeches at the 2-day convention will be made by A. V. Dodge, of Buffalo, a member of the executive of the National Association of Insurance Agents, who speaks on October 15, and Ontario Fire Marshal W. J. Scott, who will make his address October 16.

Subjects for discussion at the business sessions have not yet been announced but it is stated that they will centre upon "matters of interest to agents who are anxious to keep up-to-date in their knowledge of the business."

Bank of Canada Weekly Statement

Balance Sheet	Sept. 30 $	Sept. 23 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	127,790,379	127,031,948
Rest fund	173,092	173,092
Dep.: Dominion	13,615,934	20,540,937
Banks	173,845,565	171,105,144
Other	101,980	212,928
Total deposits	187,563,479	191,859,009
All other liabs.	2,666,947	2,064,397
Total liabs.	328,293,897	331,228,446
Assets		
Reserve: Gold	179,429,593	179,273,941
Silver bullion	1,868,981	1,868,981
Res. in sterling	137,514	2,526,503
Res. in U. S.	2,943,543	6,400,975
Res. elsewhere	......	5,530
Total reserve	184,379,631	190,075,930
Subsidiary coin	193,059	195,646
Advances	3,000,000	3,000,000
Investments:		
Dom. govt. short.	46,070,531	45,450,616
Other Dom. govt.	92,016,283	90,685,323
Total invest.	138,086,814	136,135,939
Premises	268,653	265,376
All other assets	2,365,739	1,555,555
Total assets	328,293,897	331,228,446
Reserve ratio	58.46%	59.60%

Monthly Bank Clearings

	Month of September 1935 $	Month of September 1936 $
Saint John	6,682,765	8,214,722
Moncton	2,934,120	3,153,648
Sherbrooke	2,278,577	2,641,236
Quebec	17,067,485	16,413,775
Montreal	354,129,639	445,737,018
Ottawa	75,005,377	82,182,844
Kingston	2,367,737	2,547,686
Peterborough	2,569,056	2,854,435
Toronto	413,276,810	555,804,588
Hamilton	16,949,997	18,340,476
Kitchener	3,865,549	4,943,321
Brantford	3,032,373	3,749,090
London	10,604,462	11,673,576
Windsor	8,451,251	10,706,083
Sarnia	1,815,631	1,777,054
Sudbury	3,211,000	3,985,465
Fort William	2,452,749	3,345,531
Winnipeg	247,217,460	322,272,418
Brandon	1,220,997	1,811,426
Regina	21,835,548	35,926,114
Moose Jaw	2,525,890	3,706,761
Prince Albert	1,412,382	1,771,026
Calgary	24,820,723	30,701,028
Edmonton	14,703,542	17,011,880
Medicine Hat	1,541,766	1,188,423
Lethbridge	2,464,115	2,313,377
New Westminster	2,344,847	3,015,617
Vancouver	62,695,710	84,179,762
Victoria	6,490,194	7,273,403

Metropolitan Life held its annual sales congress for Canadian territory at Ottawa, Oct. 1, 2 and 3.

Auto Mishaps Up in Ontario

Number of Fatalities Sharply Higher in July

July, 1936, witnessed more deaths from motor vehicle accidents in Ontario than any July since 1929.

Far exceeding the increase in automobile travel, as gauged by vehicle registration or gasoline sales, carelessness exacted a toll of 65 lives during the month, more than 60% above that of the same month last year. Thirty deaths resulted from the "collision with pedestrian" type of accident, compared with 15 in July, 1935, and collisions between vehicles accounted for 16, an increase of 10.

July accidents totalled 1,037, only 3 more than last year, but property damage jumped 18%. The number of non-fatal injuries reported, 971, was 127 less than a year ago.

Compared with advances of 5.2% in vehicle registrations and 19.3% in gasoline consumption, the number of motor vehicle accidents in the province in the first 7 months of the year, 5,417, rose 5.9%. No less than 7,553 drivers have been involved in accidents, 270 in fatal accidents. In the corresponding period last year, these figures were 7,214 and 247, respectively.

The motor vehicles branch of the Ontario highways department has issued a bulletin in which it attributes the "somewhat disappointing results" of educational campaigns and enforcement efforts designed to reduce accident frequency, to limited facilities available and to the indifference and apathy of the general public. What seems to be needed most, it claims, is the organization of groups of interested citizens in every community to accept some responsibility for the people in that area, and to lead the way in the practical application of traffic safety measures.

Insurance Inklings

J. S. MARSHALL, of the Union of Canton, has been re-elected president of the Association of Marine Underwriters of British Columbia.

HERBERT DEAN has been appointed city manager of the industrial branch of London Life at Verdun, Montreal.

IRVING RIDDELL, district supervisor in the ordinary branch, London Life, Montreal, has again led the company's entire field force in production of personal business. This is the second year that Mr. Riddell has earned this distinction.

A. KASTNER, superintendent of London Life at Montreal, led the entire industrial agency in the company's personal production during the agency year recently concluded.

295 Toronto Bankers Take Lecture Course

This week, 295 Toronto bankers began the course of lectures sponsored by the Toronto Bankers' Educational Association. Organized in 1919, this course, apart from the Fellows' course in banking at Queen's University and the Associates' course of Shaw Schools, is the only one of its kind to survive the years since the war.

Economics, law, government and public affairs, and public speaking are the subjects handled by the 10 tutors. The series of lectures, which lasts for 20 weeks, is under the auspices of the University of Toronto.

Officers of the association for the ensuing year are as follows: President, E. Crockett, assistant general manager, Bank of Nova Scotia; vice-president, B. L. Mitchell, assistant general manager, Royal Bank; tutorial secretary, Prof. C. N. Cochrane, University of Toronto; secretary-treasurer, J. A. Young, Bank of Nova Scotia.

Protect Teeth for Health

"No one can see where that tooth is filled, Ruth. But we wouldn't have had so much trouble if you had been here six months ago."

HEALTH depends a good deal upon sound teeth. While your daughter is growing into womanhood or your son into manhood, during the critical adolescent years, your family physician is an invaluable health counsellor. But, he must have an able ally—your dentist.

Good teeth do not just happen. They are living parts of the body built by food. They need the elements contained in eggs, milk, meats, green vegetables, fruits and cereals, but in addition they should be cared for regularly because, unlike most other parts of the body, they cannot heal themselves when injured. Besides brushing your teeth carefully at least twice a day, choose some hard and "crunchy" foods that give the teeth and gums real work to do.

If you would save a great deal of needless trouble and expense, have your children visit the dentist every six months in order that small cavities, of which they are unaware, may be discovered and treated before they can do any real damage. The dentist will also encourage systematic and correct toothbrushing in order to lay a foundation for lasting health habits.

Sometimes teeth need to be examined from the inside as well as from the outside. A tooth which looks sound and which has neither ached nor shown decay may yet hide unsuspected infection. With X-ray photographs your dentist can discover whether or not you have any tooth infected at the root which needs treatment.

A diseased tooth is a menace to health. Poison from it may damage vital organs; may cause eye, ear, nerve, joint or digestive trouble, or any one of a long list of serious ailments. Write for the Metropolitan's free booklet, "Good Teeth," which tells many things that you should know about the care of your teeth and gums. Address Booklet Dept. 10-F-36.

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When properly planned, Life Insurance adds to the enjoyment of present-day pleasures as well as providing the necessary income for family dependents and for oneself in old age.

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THE FINANCIAL POST

SECOND SECTION

Vol. XXX — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, OCTOBER 10, 1936 — 10c a Copy; $5.00 a Year — No. 41

Use Coercion On Albertans To Sign Form

Pressure Exerted in Many Ways on Unwilling

CREDITERS PEP UP

From Our Own Correspondent

EDMONTON.—Against the Saskatchewan estimate of $75 millions involved in its recent debt reduction action, in mortgage, tax and relief debts, no comparable figure has been advanced by the Alberta Government. This fact and others suggest strongly that no estimate of the effect of its legislation was compiled beforehand by the Social Credit Government; and that the intention lay more in a destructive attack on the financial system rather than in easing the burdens of individuals whom circumstances had robbed of the ability to pay. This view gives point to many remarks of Premier Aberhart and some of his ministers, which otherwise appear merely as irrelevant to the problems of the province.

Still in Favor

The political tide which carried Mr. Aberhart into office in 1935 is still running strongly, as may be seen in the results of Social Credit registration, which was conducted in August and September. For Edmonton the figure is about 26,000, which compares with the latest civic voters list of 50,343 names. Calgary, "the home of Social Credit," reports 37,847 persons registered, which is about 14,000 more than voted for Social Credit in 1935.

The registration was conducted with all the flair for showmanship which Mr. Aberhart introduced into Alberta politics. It scarcely stands scrutiny as a democratic expression of opinion. Like an election in Hitler Germany, it was a one-sided proposition. A person either registered or did not, which amounted to saying either, "I still want the $25 a month that was promised," or keeping still. This circumstance throws light on the triumphal claim in Social Credit circles of a bigger and better mandate given the Aberhart Government.

Use Coercion Club

The element of coercion was a factor not to be overlooked. Illustrations of this have piled up during the government's campaign for registration, and there is evidence that an individual's lack of registration became common knowledge to local Social Credit circles, and was used in countless unofficial ways to exert pressure on him.

The effect of private coercion in small towns, where a neighbor's business is public property to a greater extent than in a city, was admittedly a large factor.

A quotation from a recent speech of Hon. E. C. Manning shows how a threat to nonsigners may be combined with protestations of noncoercion. Speaking of merchants' registration, Mr. Manning said: "We do not propose to urge you or coerce you." In the same speech he welcomed those who had signed, saying: Nonco-operators will not be long able to compete with you."

Keep Up Enthusiasm

The registration set a temporary objective to which all Social Credit workers could devote their full attention for 2 months. In this manner the enthusiasm and activity of an actual election campaign was recaptured. As in the 1935 campaign, Mr. Aberhart left for a holiday in Vancouver while party adherents worked ahead with registration.

Evidence of a renewed drive to carry out the plan of refinancing the Social Credit newspaper, the Calgary Albertan, through sale of stock to party adherents, is seen in a recent "canned" broadcast by Mr. Aberhart.

By electrical transcription, the Social Credit Premier issued an appeal for subscribers, advertisers and purchasers of stock, in The Albertan. The plan, involving sale of $700,000 in stock, has been pushed by Social Credit speakers since last January, though apparently without achieving the objective.

No Strong Opposition

Older political parties do not offer much promise as an alternative to the Aberhart movement in the public's fancy. In case of internal disruption within the Social Credit party, a swing to either Liberal or Conservative parties apears at the moment remote, simply because destruction of confidence in the old parties was fairly complete under the Social Credit sweep and there is little evidence of a change in this respect. Neither can the C.C.F. look forward to a bright, immediate future in Alberta. The United Farmers of Alberta, while retaining the framework of its rural organization, has made little comeback from the devastating defeat of 1935. There has been talk of uniting older line groups into a "United People's Party" to uphold conservative economic and political policies, but leadership is lacking.

Thus the real political alternatives in Alberta for the moment lie within the Social Credit party, with events shaping toward a fight between the evangelical revolutionaries of the Aberhart type and the realistic leftists. Meanwhile the Credit House scheme, the climax of Aberhartism, will occupy the stage while forces are forming for the next chapter in Alberta politics.

Credit Dues Up

There are already indications of business slowing up in Alberta. Firms which usually operate on credit basis are now doing a strictly cash business. People buying automobiles and farm implements are forced to pay for them in cash and this in a number of cases will work real hardship.

Even more serious will be the situation next spring when funds will be required for seed grain advances. In view of the recent legislation it is almost certain that the lending institutions will make no advances for this purpose and it is hardly likely that the Government will have sufficient funds for this purpose.

Promises Forgotten

In this connection indications are that the Government is weakening in regard to its attitude toward advances made for seed grain purposes in the past. Last spring the lending institutions were approached by the Government for seed grain funds and loans were made on the understanding that the Government would not bring in drastic debt adjustment legislation. The Government, however, soon forgot its promise and when the debt adjustment act was brought before the Provincial Legislature these loans were included in those affected.

Recently, however, Hon. E. C. Manning, provincial secretary, announced that seed grain advances made to farmers under arrangements between the Government and the loan companies and banks will be exempted from provisions of the act by order-in-council. Debts owing to hospitals are also to be exempted.

Business Ignores Legislation

As indicated in The Financial Post last week, business interests are proceeding as if the debt adjustment legislation was not on the statute books. Mortgage and insurance companies are sending their inspectors out as usual and endeavoring to make collections of all types of debt. In no case is a release being given in accordance with the provisions of the recent debt act.

In a great many cases it is expected that farmers and others will pay in accordance with their mortgage contracts if they are able to do so. Where payment on the contractual basis is refused and demand for settlement in accordance with the terms of the Reduction and Settlement of Debts Act is made, the mortgagor will be informed that the lending institutions have secured legal opinion to the effect that legislation is ultra vires, and if this view is upheld by the courts settlement will be demanded in full.

Destroy Personal Credit

One of the unfortunate aspects of the situation in the view of the mortgage interests is the many misguided individuals who will attempt to take advantage of the legislation. By this action they will not only further destroy the credit of the province, but their personal credit also. Such persons will find it difficult to obtain loans in the future, and in the case of farmers this would be a real hardship.

Another unfortunate result of the legislation is that those who are being helped most by the legislation are not those who are in real need, but rather those who wish to avoid payment of their debts. For those who are in dire need the mortgage companies have already made adjustments.

Furthermore it is also reacting to the benefit of the mortgagee who during the depression refused to make concessions and foreclosed wherever possible. These parties now have full possession of the foreclosed properties whereas the companies that have made adjustments are forced to take further losses.

Flight of Capital

Almost daily there are further evidences of the flight of capital from Alberta. Cash deposits with the banks are being removed and safety deposits are being emptied and their contents sent out of the province. One prominent investment unit admits that it alone has sent out $250,000 worth of securities during the past 3½ months.

While bank managers are for the most part reticent, they admit that Albertans are expressing their fright with flight. One chartered bank told The Financial Post of an instance where a depositor withdrew $25,000 from his savings account, rented a safety deposit box and placed the currency under lock and key. Last week he transferred this amount to Seattle.

Capital Levy Talked

One of the principal factors in the flight of funds has been the threat of a capital levy. Backbenchers of the Aberhart Government have been gleefully gossiping since the special session of the Legislature as to what the Government is going to do at its session in February next. They imply that one of its first acts will be to enact a capital levy. Word has spread like wildfire so that one hears it talked about in restaurants everywhere.

"Alberta Economically and Fiscally Solvent"

Elliott-Walker Report to Bondholders' Committee Demonstrates Province Has Capacity to Pay Debts

By C. W. STOLLERY

The Elliott-Walker report to the Alberta bondholders' committee summarizes itself in these conclusions:

"1. That Alberta is economically and fiscally solvent.

"2. That the budget, on the basis of our survey, can be balanced without the imposition of new taxation or radical reduction of customary expenditures.

"3. That restoration of the fiscal and credit position of the province can make impressive contributions to economic recovery."

Heavy Weights

The report weighs 3 lb., 10¼ oz.

Of the halving of interest payments on Alberta bonds, the report states: "The interest reduction was entirely unnecessary."

In contrast, Alberta's Premier William Aberhart, has stated: "The only way we could get out of the financial rut in which we found ourselves was by refunding our debt at a lower rate of interest."

The report draws its conclusions from exhaustive analyses of economic and fiscal statistics affecting all normal government activities in Alberta, and was prepared by J. C. Elliott, of A. E. Ames & Co., and J. A. Walker, of Dominion Securities Corp., Toronto.

The weights, however, appear to favor Mr. Aberhart, whose government is known to be determined to cut permanently the rates of interest on Alberta bonds now outstanding.

Dispels Fallacies

Premier Aberhart has built his case for reduction of bond interest on 2 main fallacies:

(1) That bonds are held chiefly by individuals of great wealth;

(2) That interest charges are the chief cause of Alberta's difficulties.

The report dispels these notions, stating that bonds are held chiefly by small investors as evidence of their thrift and self-denial, and that large holdings by institutions merely represent the lumped investments of thousands of individuals whose funds are administered by loan, trust and insurance companies.

Ten Chapters

The Elliott-Walker report is in 10 chapters with 7 appendices and 31 statistical reports. The first 2 chapters are summaries of the survey and of recent fiscal developments in Alberta. The third outlines Alberta's fiscal problems and the scope of the enquiry on behalf of bondholders. The remaining 7 chapters deal with the economic and financial capacity of the province and its people.

Using official statistics, the report shows that in 1929 Alberta's provincial and municipal debt was 8.7% of the total for the Dominion. This is described as in line with Alberta's possession of 7.76% of the total Canadian wealth.

Agricultural investment in 1929 constituted 45.2% of the total provincial wealth, compared with 25.9% for the Dominion. The report shows further that wheat has dominated Alberta agricultural production.

Decline in Values

In comparing values, it is stated that between 1929 and 1933 Alberta's wealth depreciated 16.16%, compared with a decline of 17.06% for the Dominion as a whole. And in 1933 Alberta had 7.9% of the total wealth of the country, compared with 7.76% in 1929. "Alberta faced nothing more than a common experience," says the report.

Placing greater stress on income than on values as indicative of the economic and fiscal capacity of the province, the report states that between the 1928 high and the 1933 low, the net value of production fell 57.8% in Alberta compared with 51.6% for the Dominion. It is also pointed out, however, that the real purchasing power of money increased in the period because of the decline of prices to consumers.

Income and Surplus

In conformance with recognized statistical practice, the report uses net production figures to measure the total income of Alberta. Students and critics of "social credit," which is the economic gospel of the present Alberta government, will recognize that this conflicts sharply with the theories on which social credit is based.

To arrive at surplus income of all Alberta, deduction is made from total income of amounts spent on retail sales and services in the province. The results are:

Income, Sales and Balance of Income In Alberta 1927-1934
(In millions of dollars)

Year	Total Income $	Retail Sales, Services $	Income Balance $
1927	561.1	299.4	261.7
1928	497.2	316.8	180.4
1929	345.9	292.6	53.3
1930	269.5	235.4	34.1
1931	272.4	187.1	85.3
1932	228.7	159.3	69.4
1933	210.0	149.2	60.8
1934	259.3	168.5	90.8

Balance of Income

The balance of income is regarded in the report as the net amount available to the people of Alberta to pay costs of government, including interest charges, insurance premiums, payments on private debt, construction and equipment costs, charities and public utility services.

As compared with the lowest income balance of $34.1 millions in 1930, the report shows that the balance of taxes, and interest on government and municipal debt, totalled $28.8 millions in 1930. And in 1934, an income balance of $90.8 millions, or over 2½ times the 1930 total, was available to meet $29.8 millions of government charges for interest and taxes.

Applying these findings to proposals to reduce provincial bond interest for 1937-38 by $3.6 millions, the report describes this as "an amount which could hardly represent any relief in the daily lives of Alberta citizens." And it comments, "the solution of Alberta's problem lies in the enlarging of income."

As to economic capacity of the province to pay, the report says: "It would be idle to deny that depression has weighed heavily on Alberta; yet there is no statistical evidence of inability to pay."

Budget Capacity

Having concluded that there is undoubted economic capacity for Alberta to pay provincial debts, Messrs. Elliott and Walker examine debt, revenues and expenditures in detail, to ascertain the government's capacity to cover debt charges in its budget.

Recognizing the limits of economy in public expenditures, the report states frankly that "there is a point beyond which reduction of government expenditures brings a net economic, and possibly a financial, loss."

In making revisions in the official budget, Messrs. Elliott and Walker suggest only minor changes in operating expenses of the government. The suggested adjustments start with the official estimates for 1936-37, as follows:

Alberta Budget Estimates 1936-37

	$
Ordinary revenues	20,068,353
Ordinary expenditures	20,334,130
Estimated ord. deficit	265,777
Add: Capital expenditures:	
Highways	684,345
Lethbridge irrigation	457,000
Public buildings	155,031
Loans and advances	261,520
Telephones	50,000
Total	1,607,896
Less: Capital revenues	250,159
Net capital expenditures	1,357,737
Add: Agricultural relief	925,530
Estimated cash deficit	2,549,044

Reduced Deficit

Based on actual experience this year, Messrs. Elliott and Walker suggest reductions in the official estimate of the cash deficit as follows:

Reduction of Cash Deficit.

	$
Official estimated deficit	2,549,044
Less: Net revenue increases	56,622
Net decrease in expenditure	256,672
Suspension sinking fund	997,000
Suspension interest on Alberta bonds in sinking fund	400,000
Revised cash deficit	838,750
Less: Motor licenses	578,000
Reduced deficit	260,750

The calculation of net increase in revenue is after allowing for $750,000 less sales tax revenue than estimated by the provincial treasurer, Hon. Charles Cockroft. In revising expenditures, provision was made for $200,000 more of unemployment relief than in the official budget. Chief reductions in expenditures are derived by adjusting downward interest charges on new borrowings and treasury bills which were over-estimated in the official budget.

As to the proposed suspension of sinking fund, the Elliott-Walker report points out that provision of sinking fund in the face of government proposals to reduce interest rates would mean that bondholders would simply be financing redemption of their own securities.

See No Difficulty

As to the revised estimate of the deficit, the report says: "There is no reason to believe that there would be any difficulty in financing this amount which is applicable only to the present fiscal year." It is pointed out that the deficit could be financed, first by reason of late receipt of bills; second by receipt of the extra $578,000 for motor licenses in April, 1937; third, because income tax revenue for next year can be expected to reach the treasury late in the current year which ends March 31, 1937.

The $578,000 extra income from motor licenses arises from the fact that the license year-end has been extended from Dec. 31 to March 31. Thus $578,000 of license revenue is excluded from the official budget although it amounts only to a 3-months deferment of normal income.

As to the government's financial capacity, therefore, the report says: "The ease with which either deficit ($838,750 or $260,750) could be financed confirms the conclusion that the interest reduction was entirely unnecessary."

Still Lower Deficit

In a further revision of the budget to a "normal" under present conditions, Messrs. Elliott and Walker recalculate the possibilities showing a cash deficit of only $192,216.

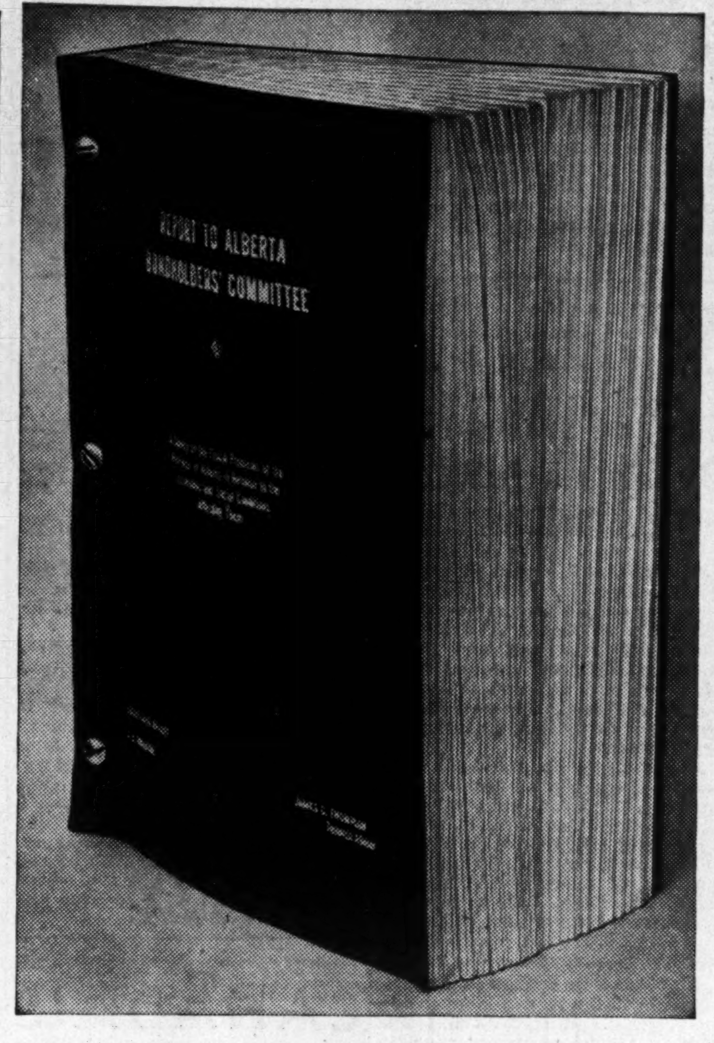
Although it does not suggest new taxation, the report points out clearly that the province last year rebated over $1 million of gasoline taxes. "Refunds lead to evasion of the tax," it is stated.

Concluding the examination of the government's fiscal capacity to pay, the report comments: "It seems safe to say that Alberta has reached a point where a completely balanced budget is within her grasp without the imposition of further sacrifices on the people."

Nature of Report

The report is one of the most exhaustive ever prepared on the affairs of a Canadian government. Although it is dated July 17, 1936, and does not make allowance for subsequent drought in the province, the bondholders' committee points out that the Dominion government is undertaking to make large contributions to relief in the drought area. Consequently, it is not felt that the conclusions of the report are altered materially by this year's crop losses.

From the viewpoint of orthodox finance, the report is an admirable document. From the viewpoint of the realist bondholder, however, who sees his holdings selling at about 50% of face value, the chief shortcoming is that such a report cannot make allowance for the arbitrary character of the Aberhart administration. For one thing, the report was drafted long before the Alberta government started planning to open "state credit houses" which can be expected to cost the province millions in administration costs apart from capital losses.



Illustrated above is the Elliott-Walker report to the Alberta bondholders' committee on the economic and fiscal affairs of the province. Weighing 3 lb. 10¼ oz., the report measures 8½ by 11 inches and is 2¼ inches thick at the outside, indicative of the exhaustive information contained in the document.

Seven Major Topics In Report on Alberta

Seven major topics are surveyed in the special report prepared for the Alberta bondholders' committee by J. Courtland Elliott of A. E. Ames & Co., and J. A. Walker of Dominion Securities Corp. They had as technical adviser James C. Thompson of Clarkson, Gordon, Dilworth, Guilfoyle & Nash, who was Alberta provincial auditor for 11 years. The chief subjects of the investigation, and findings as stated in the report, are as follows:

Topics	*Findings*
1. Nature and origin of fiscal problems of Alberta in relation to their deeper economic and social causes.	1. "While agriculture is the dominant activity....after the initial acute reduction of agricultural returns had occurred no further deterioration has taken place and for several years moderate recovery has been in progress."
2. Alteration in financial values and income arising out of economic depression.	2. "While the reductions in tangible wealth values and in income have been severe in Alberta, they have not been sufficiently more marked than for Canada as a whole to justify preferential treatment."
3. Estimate of the economic capacity of the province to meet debt obligations under recent conditions.	3. "There is capacity on the part of Alberta to meet full provincial interest payments from the aggregate net income of the people of the province."
4. Reaction of altered values and income on the fiscal structure of the prairie provinces and a summary of measures undertaken by provincial authorities to meet unprecedented fiscal problems.	4. "The gravity of the problem finally induced a general increase in the scale of taxation and a control of current expenditures....In the emergency it was necessary to borrow."
5. Debt, revenue and expenditure system in Alberta and changes in recent years.	5. "Alberta is solvent from an economic and from a fiscal point of view."
6. Fiscal capacity of the province to meet its obligations.	6. "Present sources of revenue of Alberta are sufficient, without increase of the funded debt, to meet the full cost of the usual services of government and justify full interest payments."
7. Possible economic consequences of a repudiatory policy.	7. "The danger is that the policy of the present government will so impede the entry of capital that necessary funds will not be available on any terms."

Travellers

Hon. Randolph Bruce, Canada's Minister to Japan, was a recent visitor to Calgary, Banff and Winnipeg en route to the Pacific Coast, where he is sailing for Tokio.

* * *

Sir John Hope Simpson, former head of the Newfoundland Commission Government, sailed last week aboard S.S. Yarmouth from Yarmouth, N.S., for Boston.

* * *

D. DeWaal Meyer, Trade Commissioner of the Union of South Africa, was a recent Regina visitor. The trade commissioner cited gold mining as one of the primary reasons for the current business revival in South Africa.

* * *

Morris W. Wilson, president and managing director, Royal Bank of Canada, has returned to Montreal, after an inspection trip through Nova Scotia and New Brunswick. He found many evidences of business recovery in both provinces.

* * *

Louis Baudin, professor of economics at the Sorbonne in Paris, is in Montreal to deliver a series of lectures on "The Illusions of Credit." He is the author of "Credit," "Money & The Formation of Prices," and other volumes. The lectures will be given under the auspices of the Institut Scientifique Franco-Canadien.

* * *

Arrivals at Quebec, aboard the C. P. R. liner Empress of Britain this week, included a number of prominent Canadian business men. Among them were Sir James Dunn of London and Bathurst, N.B.; J. J. Warren, president of Consolidated Mining and Smelting Co.; J. F. Weston, managing director of the Imperial Life Assurance Co., Toronto; E. B. Barber, president of Algoma Central Railway, Sault Ste. Marie; John Irwin, president of McColl Frontenac Oil Co., Montreal; E. Barringham, president of Canadian General Rubber Co., Galt, Ont.; W. B. Hodge, president of Hodge Sherrif Paper Co., Montreal; and Joseph Pyke, Toronto business man.

* * *

Prominent visitors to Canada, arriving aboard the Empress of Britain this week included Franklyn L. Hutton, Woolworth Company executive; Myron Selznick, motion picture executive; J. W. Bayley, general manager of the Ellerman Wilson Steamship Line; T. E. Pearce, manager of the Hong Kong and Shanghai Banking Corp.; Ronald Copeland, chairman of the Copeland Pottery Works, Stoke-on-Trent, England; and E. A. Williams, president of Clayton Tinplate Co., Swansea, Wales.

* * *

Walter F. Smith, general superintendent of Continental Life Insurance Co. was in Regina this week, on his annual tour of the company's western branches.

* * *

Robert de Caix, foreign editor of the Paris Journal des Debats, is visiting Halifax, Saint John and Quebec, en route to New York. He will return to France early in November.

* * *

Denys Lawson of London, England, manager of a $50 millions group of British investment trusts is visiting New York to discuss U.S. investment trends with U.S. investment bankers and investment trust executives.

Ask Alberta To Put Facts To Umpires

Bondholders' Committee Suggests Commission of Enquiry

PRESENT REPORTS

Not to be confused with the report of J. C. Elliott and J. A. Walker to the Alberta bondholders' committee, is a statement by the committee itself to the Alberta government.

J. M. MACDONNELL

The committee, which is headed by J. M. Macdonnell, general manager of the National Trust Co., Toronto, includes representatives of bondholders all over Canada and in the United States and Great Britain. Members last week presented simultaneously to the Alberta government at Edmonton the committee's own statement along with the Elliott-Walker report.

The committee's statement concludes with a suggestion that the bondholders join the government in submitting to an impartial commission the Elliott-Walker report and other relevant data in an effort to reach a satisfactory compromise on the question of the government's plan to cut interest rates on Alberta bonds outstanding.

Plan of Selection

"The method of selecting the members of this commission can be agreed upon between the province and the bondholders," says the committee's statement. "In order that our position may be quite clear, we may say that it is not our intention to restrict narrowly the scope of the enquiry which such a commission would make. It is definitely in our minds that the commission's terms of reference should be broad and we are prepared to co-operate with such a commission and the government of the province in an effort to evolve a plan for the fiscal and economic rehabilitation of the province that would be a fair and reasonable solution of the difficulties of the province, having regard to the various interests of all parties involved."

Would Defer Redemptions

The committee states that pending improvement in the financial position of the province it believes the government should give favorable consideration to temporary suspension of sinking fund as suggested by Messrs. Elliott and Walker. The committee is prepared to make recommendations to the bondholders accordingly.

Commenting on the Elliott-Walker calculation of a normal budget deficit of $192,216 under present economic conditions, the committee comments that it feels justified in pointing out that a deficit so adjusted "is not an adequate reason for imposing on creditors an interest reduction of $3.6 millions."

Poor Crop Considered

The committee's statement carefully points out that disappointment in this year's crop yields in some sections of Alberta since completion of the Elliott-Walker survey is recognized. However, in view of the Dominion's assistance with drought relief and higher prices for farm products, the committee states: "Without minimizing the serious consequences of crop failure for many farmers of the province and the necessity of giving them adequate relief, we see no reason to modify our conclusions, based on the survey, that the province is solvent and has capacity to pay its interest obligations in full."

Painstaking examination of the Elliott-Walker report, says the committee's statement, "convinces us that recognition of contractual obligations is the only honorable and sensible course that the province can take."

Alberta's Idle Shows Increase

EDMONTON.—Facts and figures testify to the barren results of Aberhart policies right up to the eve of the Social Credit experiment, main feature of which will be the operation of credit houses.

Alberta's jobless total stands at 10,392, against 6,611 at the same time in 1935, according to provincial employment service figures, which include only urban unemployment. These figures contrast with reports of reduced unemployment in other parts of Canada.

Prairie Cities Population Shows Decline in 5 Years

Early returns from the special quinquennial census recently concluded on the prairie provinces show nearly every urban centre with smaller population than at the previous census of 1931. Whether or not there will be noted a trend of this population back to rural areas remains to be seen when final returns for all 3 provinces are available.

Meanwhile comparative figures for the chief urban communities for which figures are presently available show the life story of these communities in the past 35 years. It will be seen the only important gain in population was at Prince Albert. Slight gains were noted at Regina, Weyburn and Lethbridge.

Comparative urban census figures follow:

	1901	1911	1921	1931	1936
Manitoba					
Brandon	5,620	13,839	15,297	17,082	16,388
Portage la Prairie	3,901	5,892	6,766	6,597	6,537
Transcona	....	......	4,185	5,747	5,576
Winnipeg	42,340	136,035	179,087	218,785	215,602
Alberta					
Medicine Hat	1,570	5,608	9,634	10,300	9,590
Calgary	4,392	43,704	63,305	83,761	83,304
Edmonton	4,176	31,064	58,821	79,197	..*...
Lethbridge	2,072	9,035	11,097	13,489	13,520
Saskatchewan					
Regina	2,249	30,213	34,432	53,209	53,389
Saskatoon	113	12,004	25,739	43,291	41,606
Moose Jaw	1,558	13,323	19,285	21,299	19,782
Prince Albert	1,785	6,254	7,558	9,905	11,050
Weyburn	113	2,210	3,193	5,002	5,325
Swift Current	121	1,852	3,518	5,296	5,065
Yorkton	700	2,309	5,151	5,027	4,931
N. Battleford	...	2,105	4,108	5,986	4,727

* Not yet available.

C.P.R. Pensions

Contributory Plan Becomes Effective From January 1

From Our Own Correspondent

MONTREAL.—After maintaining a non-contributing pension scheme for over 30 years, the Canadian Pacific Railway will put into effect as from Jan. 1, 1937, a new plan calling for contributions from eligible employees.

In the past it has been the custom of the company to appropriate a large sum from earnings each year which went into a separate pension fund. Demands on this fund of late years have been such that it is insolvent.

Employees Contribute 3%

Under the new plan, eligible employees will contribute 3% of their earnings. While the fund is being built up, the company will continue to pay the larger part of pension allowances. The plan embraces all branches of the company's services and all its subsidiary companies controlled and operated by the C. P. R.

Huge Alcohol Stocks In U.S. Forecast by 1938

MONTREAL.—Stocks of 4-year-old whisky in the United States will amount to over 595 million gallons by 1938 if the present rate of production and consumption continues, according to W. S. Alexander, Administrator of the Federal Alcohol Commission, who warns the American public against speculation in bonded warehouse receipts.

On the basis of reports to the Alcohol Administration there were in government bonded warehouses on Dec. 31, 1935, quantities of whiskies as follows:

Corn and bourbon	138,305,855 gallons
Rye	67,755,709 gallons
Other whisky	1,051,970 gallons
Total	207,113,534 gallons

Record Big Gain

On August 31, 1936, quantities of whisky in storage in government bonded warehouses for aging purposes were:

Corn	239,256,547 gallons
Rye	94,236,435 gallons
Other whisky	1,315,233 gallons
Total	328,808,215 gallons

"This shows," said Administrator Alexander, "an increase of 121,694,681 gallons for the first 8 months of this year, or better than 15 million gallons a month. Should this same monthly average continue to December 31, a total of over 194 million gallons of whisky will be placed in storage this year; and by 1938, when whisky in bonded government warehouses stored in 1934 will begin to be 4 years of age, a total of 595,247,950 gallons of whisky will be in storage, if the present rate of production and consumption keeps up.

"Prior to prohibition the largest amount of whisky ever withdrawn from bonded warehouses for consumption in one year was 83,590,951 gallons. For 10 years prior to 1918 the average annual withdrawals amounted to some 70 million gallons."

Price Decline Possible

There has been a great deal of speculative buying of warehouse receipts in the United States on the strength of an anticipated rise in the value of whisky when it comes to be released for consumption. Administrator Alexander's belief that such will not be the case is based upon the large amount of whisky in storage in relation to the average of consumption.

These figures are of interest to Canadian investors in Distillers-Seagrams, Hiram Walker-Gooderham and Worts and Canadian Industrial Alcohol. The first 2 are now producing in the United States, while the latter has been selling its Canadian holdings of matured whisky in the American market. The figures might give concern as to the ability of Canadian operators to take advantage of the lifting of the prohibition regulations, but it will be noted that the large increase in anticipated supplies is in corn and bourbon whiskies, whereas the Canadian companies have been and are primarily intersted in rye whisky, of which the American stocks are increasing at a more moderate rate.

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3. Supply facts rather than opinions.

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Maclaren-Quebec

Can you tell me whether or not Maclaren Quebec Power's revenue is sufficient to cover interest charges and, if not, will bond interest continue to be met?

Revenues received by Maclaren Quebec Power Co. from its contract with the James Maclaren Co. and the Ontario Hydro-Electric Power Commission are about sufficient to take care of operating expenses, taxes, and interest on the first mortgage bonds, but without making provision for depreciation. The difference between net income and bond interest requirements is less than $100,000 and it is assumed that the parent company—Maclaren Power & Paper—will make up the difference in order to protect its equity in the enterprise.

Dominion Tar

A client of ours is considering buying a Dominion Tar & Chemical 4½%, 1951, bond. Is this company well regarded?

Dominion Tar & Chemical Co. is the largest operator of its type in Canada and its record of earnings over a period of years has been satisfactory to bondholders. Naturally its income declined during the depression years, but the company maintained all obligations in connection with its funded debt. In the last 2 years earnings have shown a substantial increase and prospects for the company are more favorable than they have been for some time past.

United Corp.

I hold A and B shares of United Corp. Is there any advantage in owning the A in preference to B?

United Corp. class A stock is the senior security after the 5% cumulative income bonds. This stock is entitled to cumulative dividends of $1.50 a share annually from February 15, 1933, and at the same date in 1936 was in arrears $4 a share. It is callable at any time on 60 days notice at $30 a share plus accrued and unpaid dividends. No dividends may be paid on the class B shares until all arrears on the class A shares have been paid. The A stock carries equal voting rights with the B stock. It will be seen that in effect the class A stock is a preferred stock and holds seniority over the B stock, so there is reason for holding the A shares.

Mount Royal Hotel

As a subscriber of The Financial Post, I would like to have a report on the capitalization of the Mount Royal Hotel Co. and its earnings.

Mount Royal Hotel Co. has outstanding: $3,560,000 of 5½% first mortgage loan due 1947; $600 8% convertible debentures; $10,300 of 8% preferred stock; $6,814,800 of 6% preferred; and 60,000 shares of no par value common stock.

Payment of the annual installment of $120,000 due 1932, 1933 and 1934 on the first mortgage, has been deferred by arrangement with the mortgagee. The installment due Dec. 1, 1935, was unpaid. No dividends have been paid on the preferred or common stock since 1931.

Earning power of the company has been at a very low point in the last 4 years. In 1935 net earnings amounted to only $90,974. After provision for interest on the first mortgage loans, amortization of organization and finance expenses and depreciation of $200,000, there was a deficit of $351,281. Interest charges have not been earned since 1931.

Abitibi Outlook

What has been causing Abitibi bonds to rise? Is there hope of further improvement?

Abitibi bonds have been increasing in price recently because negotiations have been proceeding with the object of agreeing on a reorganization plan to take Abitibi out of receivership and because of growing optimism on the outlook for newsprint manufacturers. Of course, such a plan would not be proposed unless it was thought likely that it would enable the company to maintain operations profitably. There are many interests to consider and it is impossible ahead of time to gauge the results of whatever plan may be proposed. On the long view the prospects for the newsprint industry appear good.

Ford Motor

Is Ford of Canada class A stock a stable equity investment? Are earnings consistent?

Ford Motor Co. of Canada showed earnings of $1.17 a share in 1935, compared with $1.13 a share in 1934. The company has a very strong liquid position, with working capital over $22 millions, and an equity in net assets of $20 a share for the stock. However, export and domestic volume appears to have declined in 1936, so that the report for this year may not show improved earnings.

In the last few years the company's income has come mostly from dividends of affiliated companies abroad, in South Africa, Australia and India. It is rather difficult to appraise earnings possibilities of the Canadian company. It is possible to have a loss in Canada, which is more than offset by dividends received from abroad. This does not reveal what the total earnings of the combined companies outside Canada really are.

Market movement of Ford of Canada shares has been somewhat erratic. The wide changes in earnings in recent years, coupled with the company's problems of tariff and exchange rates in foreign trade, make the shares a somewhat uncertain form of equity investment, even though the company is a leader in the motor field.

Windsor Hotel

Please let me know briefly what you think of the outlook for Windsor Hotel Co.

Near term prospects of Windsor Hotel Co. are not particularly encouraging. The hotel business in Montreal is at a low ebb and the competition from boarding houses, etc., makes it difficult for the company to earn a profit commensurate with the capital invested. The company's shortage of working capital makes bond interest payments improbable for the present.

Gypsum, Lime

Is there any reason for the market activity in Gypsum, Lime and Alabastine stock? Is the outlook for the company any better?

Gypsum, Lime and Alabastine (Canada) has attracted more attention marketwise, owing to improved prospects for the building industry. This company is dependent upon the building trade. In recent years income has been rather limited and it has been necessary for the company to make retrenchments. If the anticipated revival of building occurs, it would not take long for Gypsum, Lime to re-establish earning power and finances.

Consumers' Gas

Is Consumers' Gas stock a trustee investment? Is the company able to continue the present dividend? Has the dividend been fully earned in the past 5 years?

Consumers' Gas Co. has been paying $10 a share on its common stock for many years and it has never paid below $8 a share throughout its history of more than 60 years. In the last 5 years the company has earned about 60% of its dividend after writing off various legal reserves. If, however, one considers the actual amount expended for maintenance of properties rather than the legal reserve which has to be put aside, the company has earned its dividend through the depression as well.

The company's stock is not a trustee investment. Trustees are strictly limited as to the classes of security in which they can invest. But present valuation of around $204 a share shows that the stock is held largely in investment portfolios. The company suffers keen competition from low rates in Toronto for domestic electricity.

Blue Ribbon

Please outline the position of Blue Ribbon preferred as an investment.

Report of Blue Ribbon Corp. for the year ended June 30, 1936, shows earnings of $2.22 a share on the preferred, compared with $1.98 a share in the preceding year. Dividends of $2 a share are being maintained on the 6½% preferred shares of $50 each.

At the present price of around $33 for the shares, the yield is 6% which must be regarded as high in comparison with small yields available on quality securities. The past record of subsidiaries suggests that there is considerable room for improvement in earnings of Blue Ribbon Corp., but in the recovery period the company has only made modest progress in this direction. While the preferred shares have possibilities, as long as there is good management, the rather high yield on the preferred reflects some disappointment among investors over the measure of recovery that has been realized.

Western Steel

What are Western Steel bonds selling at? Is there any chance of an interest payment?

The approximate market quotation for Western Steel bonds is 30 bid, 34 asked. No interest is being paid, nor is there any early prospect of interest being paid.

A reorganization of the company to take it out of receivership, and to fund bank loans, is in prospect. We understand that under the reorganization, bondholders will receive about 85% of the equity in the reorganized company.

In order that you may be acquainted promptly with the affair, you should write to the National Trust Co., Toronto, and have your name placed upon the mailng list to receive reports.

Ontario Building

Will you please give me information on my Ontario Building bonds. What is their price and will interest be paid?

Ontario Building Ltd. 6½% first mortgage bonds are quoted at 25. Interest at the reduced rate of 2½% which was due Sept. 1 last was deferred and we are informed that no payment will be made March 1, 1937. These payments are not being made so that the company will be able to clear up tax arrears which at the end of June amounted to $19,160. At July 5, 1936, the building was fully rented, with gross earnings running at the rate of $57,354 a year. Expenses amount to $42,000 leaving a balance of $15,354.

It is probable that further reorganization of this company will be necessary. Rents in Montreal continue low and it does not appear that the company will be able to resume interest payment at the rate of 6½%. There is also little likelihood of the company being able to meet its bond maturity in 1943. General business improvement should bring about an increase in rents which is essential to improve the position of the bonds.

Montreal Tramways

Montreal Tramway Co. bonds have been recommended to us for investment. Before taking any action we would like to have your opinion on the investment merits of the security.

Montreal Tramways income is adequate to cover its fixed charges. The chief drawback to investment in this company's securities is the uncertain political outlook. Some members of the Montreal city council have been advocating a revision of the contract made between the city and the company in 1918, whereby the latter is guaranteed a fixed return on its capital investment. It is alleged the return of 6% is too high and that the contract should be revised at a lower interest rate. The only way in which this contract could be amended, without the co-operation of the company, is by action of the provincial legislature.

Western Homes

I have had shares of Western Homes Ltd., Winnipeg, offered to me, but would like to know the market value. Are they negotiable? Is the company making profits?

We do not know of an active market for the shares, and the value depends to some extent upon the amount that has been actually paid up. You should remember that on shares that are not fully paid, you may be some day liable for assessment.

The company earned 1.44% on the paid-up capital last year, and paid dividends of 2%. The company's assets consist largely of mortgages, which are valuable, but which are not yielding much revenue at present.

Candn. Gen. Investments

What is the capitalization and earnings' record of Canadian General Investments? What are the probable earnings in 1936?

Canadian General Investments has a capital consisting entirely of 600,589 common shares. The equity value per share of the company's investments is now approximately $12.50, compared with a market value for the shares of about $9.20. At this price, the yield is over 5% on the new dividend rate of 50 cents a share. Earnings this year are expected to run over 50 cents a share, so that the new rate can be maintained. Management is independent and regarded as satisfactory.

Hunt's Ltd.

I notice shares of Hunt's Ltd. have risen from about $4 to $16. Are they making money and is this a good investment?

Hunt's Ltd. had net income of only $12,556 in 1935 although sales totalled $938,758. After depreciation of $52,561, a net loss of $40,005 for the year was recorded. Working capital was reduced to slightly over $21,000 last year, compared with over $100,000 in 1929.

Clearly this showing is not very satisfactory, and, although there is believed to have been some improvement this year, there is little indication of a sensational gain in profits. The company's prices for chocolates have been changed, and it is selling beer in its large Savarin restaurant in Toronto. Beneficial results are expected, but have yet to be shown in the statement.

No dividend is being paid and we have no word of a coming payment. One of the difficulties with the shares is that you would find the market very inactive from time to time.

HEAD CONSUMERS' GAS

Thomas Bradshaw (left), president of the North American Life Assurance Co. and for some years finance commissioner of the city of Toronto, has been elected president of Consumers' Gas Co. in succession to the late Arthur Hewitt. Edward J. Tucker (right), assistant general manager and secretary, has been appointed general manager after 26 years with the company.

Work To Do ~

46% of Newsprint Capacity Operated By Firms in Receivership or Under Default Conditions

Over 46% of the rated capacity of the Canadian newsprint industry is owned by companies operating in receivership or under default conditions. This striking fact makes clear that despite improvement in conditions over the last 2 or 3 years, a great deal has yet to be done before the industry is again in a prosperous state.

At present the industry has a nominal rated capacity of 4 million tons annually. The 5 companies with corporate difficulties still unsolved have a rating of 1,857,500 tons a year. A mill capable of turning out this quantity of paper would have a rating of around 6,000 tons daily, which, at a conservative capitalization of $30,000 a ton, would represent an investment of $180 millions.

Three in Bankruptcy

Abitibi is the largest company in receivership. It controls 9 plants with an annual newsprint capacity of 689,000 tons. Four of the mills, with a rating of nearly 265,000 tons, are closed. The company went into bankruptcy 4 years ago this month and to date no arrangements have been made for its financial rehabilitation.

Price Bros. and Co.'s 2 mills at Riverbend and Kenogami can manufacture 315,000 tons of newsprint annually. In April 1935 the company was forced into receivership due to its inability to meet bond interest payments. Several efforts have been made to reorganize the enterprise. These moves have been unsuccessful owing to a conflict of interests.

The third company in the hands of a receiver is Minnesota and Ontario, whose 2 mills can produce 165,000 tons of newsprint at capacity. This was one of the first companies to be bankrupted, trustees having been appointed in February 1931, over 5½ years ago. While there has been some improvement in its affairs, conditions are not yet favorable for reorganization.

Under Default Conditions

Two companies are operating under default conditions. First is Consolidated Paper Corp., with 4 active plants and one inactive, capable of producing 600,000 tons of newsprint a year. This company defaulted on July 1, 1931. It was reorganized in 1931 with capitalization cut from $104 millions to about $52 miillions and bond interest put on an income basis for 5 years. Bond interest became a fixed charge on July 1, 1936, with first payment due next January 1. There is still a reasonable doubt of the company's ability to meet the payment and a further reorganization is a possibility.

Lake St. John Power and Paper, with an annual capacity of 88,500 tons, completes the list. This company defaulted in August 1932.

This list does not include all the newsprint manufacturers which have got into financial difficulties. Great Lakes Paper Co., with an annual capacity of nearly 100,000 tons, passed to the hands of a receiver in July 1931. Not long ago it was reorganized.

Donnacona Paper Co. is another producer which went under in 1932. In the same year it was reorganized with capitalization cut almost in half and bond interest put on an income basis, but cumulative from last February 1. Bond interest became a fixed charge on that date, with first payment due on August 1. Before that time the company found it necessary to make another arrangement with bondholders whereby, in return for a block of stock, interest was put on a reduced and graduated upward scale.

Privileged

Tax Collector Ranks As No. 1 Shareholder Of B. C. Power

From Our Own Correspondent

MONTREAL.—B. C. Power Corp. paid out more in taxes last year than it did in dividends to the common stockholders, according to a statement made by W. G. Murrin, president, at the annual meeting of shareholders. After deducting operating expenses, depreciation and fixed interest charges, he went on to say, these tax payments absorb approximately 40% of the net revenue earned by the company.

In 1927 B. C. Power paid out in direct income and property taxes, excluding gasoline tax, sales tax, stamp tax, etc., $593,700. The accounts for the past fiscal year show that these tax contributions have risen to the substantial sum of $1,563,000.

Crown Cork and Seal Declares Extra on Stock

From Our Own Correspondent

MONTREAL.—Directors of Crown Cork and Seal Co., a large block of whose common stock was recently distributed in Canada, have declared an extra dividend of 20 cents a share together with the regular quarterly dividend of the same amount.

Dividends were initiated with a payment of 20 cents a share on February 15 of this year. Similar payments were made on May 15 and August 15. Total disbursements this year, including the extra, amount to $1 a share.

Anglo-Canadian Pulp To Build Dam on Noire

From Our Own Correspondent

MONTREAL. — Anglo-Canadian Pulp & Paper Mills has deposited plans with the Quebec Government designed to facilitate the starting of work. It is proposed to construct a logging dam on Noire River, tributary to Montmorency River, in the Laurentide National Park, Montmorency County, and to construct a canal between the river and Lac des Neiges.

Attractive Corporation Securities

	Price	Approximate Yield to Maturity
Canadian Canners Limited 4% First Mortgage Convertible Bonds Due 1 May, 1951	101.50	3.86%
Canadian Pacific Railway Company 3% Convertible Collateral Trust Bonds Due 1 October, 1945	93.75	3.82%
Gatineau Power Company 5% First Mortgage Bonds Due 1 June, 1956	102.25	4.82%
Great Lakes Power Company 4¼% First Mortgage Bonds Due 1 September, 1956	99.50	4.28%
Montreal Light, Heat & Power Consolidated 3½% First Mortgage and Collateral Trust Bonds Due 1 February, 1956	105.00	3.15%
Saguenay Power Company Limited 4¼% First Mortgage Bonds Due 1 April, 1966	105.00	3.97%
Shawinigan Water & Power Co. 4% First Mortgage and Collateral Trust Bonds Due 1 April, 1961	99.75	4.03%
Union Gas Company of Canada Limited 4½% First Mortgage Bonds Due 1 December, 1950	101.00	4.40%

Complete information will be furnished upon request.

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	Authorized	Issued
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Circular containing a letter received by us from Joseph H. Lang, President, John A. Lang & Sons Limited, giving a full description of the Company, will be sent on request.

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MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

In The Construction World

Hamstrung by Taxation

MUNICIPALITIES are going to be asked by the National Employment Commission to give some assurance against increased assessment for taxation purposes, following utilization of the proposed home modernization loans. The commission does not want to see its hoped-for programme of renovation of existing real estate hamstrung by higher taxes. It realizes that the average home owner will hesitate to use even low cost money when such an expenditure may be taxed at the rate of 3 or 4% annually.

But if some assurance against heavier taxation is necessary for home renovation purposes then it is even more necessary in the case of new real estate. Here, a much larger investment is at stake. The person planning a new house or other building can figure out within a few dollars of what the expenditure is it is going to cost to carry, on all items save one. That single exception is taxes and so long as these remain practically uncontrollable so long will there be grave uncertainty about building in those centres where the rate is already excessive.

* * *

"Cheaper to Rent"

IN SUCH centres it is still cheaper to rent than buy. An official of a Canadian mortgage company thus discouragingly summarizes the real estate situation facing his company:

"The real reason for unemployment among the building trades is excessive taxation. We own or control several hundred moderately priced city homes mostly about 8 to 15 years old. These are in desirable locations. First mortgages were considered reasonable at the time they were placed. The revenue received from these properties is not sufficient to pay first mortgage interest and taxes, although nothing is allowed for depreciation. As a result the values have dropped to about the amount of the first mortgage.

"At first view the answer would be that the rents should be increased but on the few occasions we have tried this, vacancies created through tenants moving into smaller and less desirable houses have added further to our loss. We are convinced that at the present time the public is just not able to pay any more than the present rate for shelter.

"Taxes amount to about 35% of the revenue. They include relief and other social services from which real estate in no way benefits. The theory that the landlord can pass these taxes on to the tenant is a wrong theory. A real estate owner must carry the burden out of his capital."

* * *

Taxes Based on Revenue

PROPERTY owners associations in many parts of Canada are asking that the present system of taxation be scrapped. They would substitute the plan followed in Great Britain and to a certain extent in the States. There, the rate of taxation is based on the revenue.

If rents are low taxes are correspondingly low.

Against this plan is the argument that the municipalities need the money and no matter what system is followed they must raise the same amount of money anyway. But a system of taxation that has no relation whatever to current income cannot be satisfactory. It produces assessments that, in hard times, tower above actual sales value and prove a well nigh prohibitive barrier to new construction.

* * *

Slum Clearance

FOR permanent and prosperous results the Canadian construction industry must depend upon practical economics, not sentiment. In this connection, slum clearance is no exception.

Criticism has been voiced over the fact that only 24 houses of the 1,123 examined by the Toronto civic authorities were found completely satisfactory and of this number but 40 were ordered wrecked and approximately 800 were renovated.

But these statistics indicate that slum clearance is already in progress and that not new laws are needed but simply enforcements of the existing ones.

High rents and lack of vacant houses will inevitably result in housing expansion. The working of this old law of supply and demand will probably see more low-down districts actually cleaned up than the ballyhooed and decidedly more expensive philanthropic plans that have been suggested and repeatedly abandoned in the last few years.

Bridge Projects Offset Seasonal Building Drop

A couple of big bridge projects more than offset the usual seasonal decline in Canadian construction for September. Total contracts awarded, according to MacLean Building Reports, were approximately $16.5 millions or almost an even million in excess of August.

Offsets Seasonal Decline

Usually as the fall advances, construction, which is largely an outdoor industry, declines. In practically all categories there was a decline last month. But a total of $3.5 millions, for the piers and approaches to the new Narrows Bridge at Vancouver and the Canadian National Railway bridge at Fredericton, N.B., put total for engineering construction well above average.

It is estimated the bridge itself over the first Narrows will cost in the neighborhood of $6 millions but other work including the preliminaries now awarded, may swell the total to $10 millions. The C. N. R. bridge will replace an old structure washed out in last spring's floods.

Residential construction continues to play a major part in the building industry. Some 25% of the September total went into houses and apartments. Though this was about $700,000 below residential building in August, nevertheless it is far beyond the record for September 1935.

Another significant change from a year ago is the preponderance of private construction in the figures now being reported. During the depression the bulk of the large scale building was of a relief nature; government office buildings, barracks, post offices, roads, wharves and harbors. To date this sort of construction, while still important, is overshadowed by big forward strides in private house building, store renovation and new theatres, factories and garages. Even the $2 millions for approaches to the Vancouver bridge, is going to be a private construction job. Another big order, $500,000 for completing the half finished Victory building in Toronto, is also in this category.

Figures in detail for September, with comparisons, are as follows:

	September, 1936 No.	September, 1936 Value	August, 1936 No.	August, 1936 Value	September, 1935 No.	September, 1935 Value
		$		$		$
Apartments	21	365,600	21	527,700	20	446,800
Residences	1,466	3,966,600	1,596	4,506,200	1,179	3,282,100
Total residential	1,487	4,332,200	1,617	5,033,900	1,199	3,728,900
Churches	14	95,300	29	198,100	20	144,500
Public garages	42	121,800	74	348,700	47	293,000
Hospitals	11	212,300	11	93,100	11	1,104,300
Hotels and clubs	30	193,800	24	94,200	46	383,300
Office buildings	25	744,000	23	125,400	23	91,200
Public buildings	48	678,700	51	578,400	53	728,200
Schools	31	476,800	59	898,300	42	415,700
Stores	141	507,900	174	780,000	126	564,300
Theatres	12	330,000	18	446,700	10	64,000
Warehouses	38	186,800	50	489,700	54	933,900
Total business	392	3,547,400	513	4,052,600	432	4,722,400
Total industrial	80	1,058,800	67	1,097,500	72	976,500
Bridges	21	3,748,000	26	518,300	28	174,800
Dams and wharves	21	349,300	12	307,400	20	217,200
Sewers and watermains	19	206,100	12	412,300	39	808,800
Roads and streets	108	1,988,400	85	3,059,400	74	1,523,100
General engineering	64	1,327,500	49	1,054,700	75	2,591,400
Total engineering	233	7,620,100	194	5,352,100	236	5,315,300
Grand Total	2,192	16,558,500	2,391	15,536,100	1,939	14,743,100

	No.	Value
9 months, 1936	15,869	$127,671,600
9 " 1935	15,093	132,724,200
9 " 1934	12,822	98,145,100
9 " 1933	9,939	63,430,700

Total construction for this year to date, however, is running slightly behind the first 9 months of 1935, though considerably in advance over the years immediately preceding. This same trend is shown in most of the larger cities, where many of the big Government relief projects swelled the 1935 total. In the suburban districts and smaller centres, however, there appears to be as much or more new construction than a year ago. Building permits for Canadian cities for the first 8 months of the last 3 years are as follows:

Building by Cities
(permits issued)

	1936 8 mos.	1935 8 mos.	1934 8 mos.
	$	$	$
Halifax	751,325	1,306,682	518,108
Sydney	117,566	40,185	57,475
St. John	77,152	102,760	176,144
Montreal	4,188,348	5,225,846	2,677,069
Quebec	663,547	1,355,746	284,071
Three Rivers	65,210	46,745	309,890
Westmount	232,203	109,100	509,426
Brantford	107,674	187,635	178,379
Fort William	151,350	121,425	583,400
Guelph	63,218	243,289	79,221
Hamilton	776,336	1,493,925	487,655
Kingston	174,489	142,736	101,397
Kitchener	237,636	402,086	183,886
London	462,115	1,429,757	369,390
Ottawa	1,393,092	3,055,110	948,295
Peterborough	182,806	146,122	116,664
Port Arthur	163,652	121,219	70,847
Stratford	30,272	29,602	28,768
St. Catharines	538,339	153,174	81,403
Sarnia	89,213	63,484	85,964
Toronto	4,424,055	6,654,081	3,689,697
York Townships: Forest Hill & Swansea	3,609,992	2,795,472	2,113,909
Windsor	483,578	245,967	115,772
Brandon	24,561	106,335	30,358
Winnipeg	916,600	2,456,050	478,000
Moose Jaw	34,695	125,815	339,645
Saskatoon	126,730	117,200	68,225
Regina	256,648	122,665	133,145
Calgary	516,755	806,407	385,631
Edmonton	726,070	567,150	340,780
New Westminster	302,365	139,855	48,355
Vancouver	3,651,035	3,017,875	950,436
Victoria	324,367	343,269	177,208

New Industries

Mantle Lamp Co. of America, Chicago, has completed arrangements for their electric floor and table lamps to be assembled and finished in Canada at 405 Logan Ave., Toronto. (Toronto Industrial Commission).

Logan Garment Co., Logan, Ohio, will establish a factory at Lethbridge, Alberta. It will manufacture women's sport suits and dresses. (Edmonton Journal).

Daily Commercial News notes that:

Kellogg Co. of Can., Ltd., London, Ont., has let the contract for construction of 2 grain storage tanks, 28 ft. in diameter, at a cost of $21,200.

Pierce Northern, Ltd., Kirkland Lake, Ont., publishers of the Northern News, will build a $25,000 newspaper plant.

Building Products, Ltd., Pont Rouge, Que., will make a $100,000 addition to the plant.

R. C. A. Victor Co., Ltd., Montreal, will make an addition of office and manufacturing building to the plant.

Canadian Cottons, Ltd., Cornwall, Ont., is receiving tenders for construction of new warehouse.

Joy Oil Co., Ltd., Toronto, will let contracts shortly on a $65,000 construction programme involving a storage and distributing centre and 3 service stations.

U.K. Housing Boom Now Tapering Off

But Slack in Residential Construction Offset by More Factories

Apparently the house-building boom in Great Britain, which in the last 6 years, has assumed enormous proportions, has now passed the peak. For the last 2 years a slight decline, estimated at a little over 5%, has set in.

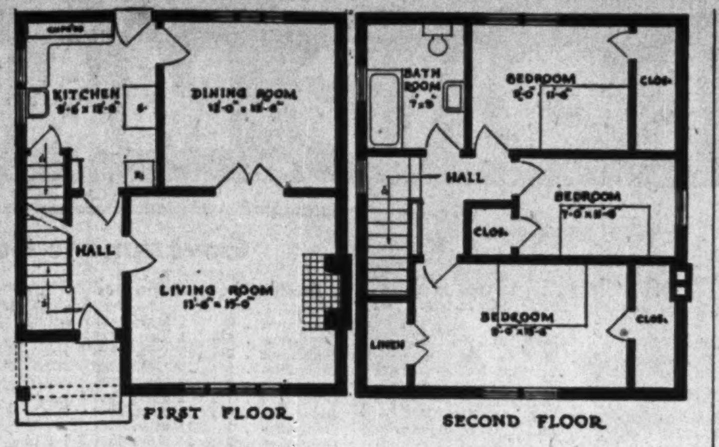
But this does not mean that carpenters are looking for other jobs. Over 275,000 houses were erected for the year ended March 31, 1936. The year previous almost 288,000 were built.

Recently the proportion of houses erected by private enterprise has increased and the slack in total residential construction has more than been offset by the increase in industrial construction.

A good deal of the latter expansion is attributed to the defense programme now in full swing in Great Britain. Total expenditure on constructional work for the navy, army and air forces this year is estimated at almost $50 millions.

So pressing has been the demand in some parts of the country for new shops, office factories and workshops for armament making that contractors have experienced great difficulty in obtaining operators.

The gradual swing from residential to industrial construction is expected to be reflected in decreased sales of housing supplies and equipment and larger expenditures on structural steel and cement.



PLAN OF $2,500 HOUSE

The Financial Post has been asked to publish a plan of the $2,500 house described in last week's issue. Above shows the actual interior of the house built a year ago.

In dwellings of this type now being built, however, the plan has been improved. Greater use has been made of space at present wasted in the bathroom, a side door replaces the one at the back in the kitchen, thus giving more wall space. The dormer window has been eliminated by adding slightly to the height of the exterior walls. This higher wall also adds to the effective length of the bedrooms. An enclosed entrance vestibule has been added.

Designers claim this house could be easily and inexpensively altered sufficiently to meet different desires and to eliminate monotony where several residences are to be built side by side.

Exterior measurements are 27 feet 6 inches by 24 feet. Outside walls are of brick veneer or stucco. Fully insulated, cost is estimated at approximately $2,500 including lot where real estate is cheap or $3,000 on land costing up to $10 per foot.

Are Fighting Shy Calgary Building

For the first time in 10 years Calgary has had a month in which not a single house building permit was issued. September is reported a complete blank.

Cessation of building activity is blamed on the freezing of loan money by recent Aberhart legislation. Residential activity during the month was confined to comparatively minor alterations and repairs.

Airmail Route Opens in 1937

Eastern Half Ready by 1938 — $5 Millions Investment

From Our Own Correspondent

OTTAWA.—Recommendations of the subcommittee of senior Government officials for creation of a trans-Canada airmail service, received and accepted by the Government provide:

That the western half of the trans-Canada airmail service from Winnipeg to the Pacific coast is expected to start next summer, probably July 1. The eastern half will be started in the summer of 1938 in time to tie in with the transatlantic service to be launched by Imperial Airways.

To carry through the trans-Canada service, a semi-public corporation will be formed with a capital stock of $5 millions to be allotted: 25 per cent to the Dominion Government, 15 per cent each to the railway companies, 45 per cent to private aviation interests. This corporation will operate only in the trans-Canada field, will not attempt to give any local services.

The intention is to iron out minor details of the policy and announce the complete set-up about December 1.

Chief difficulty now facing the cabinet is the allotment of the 45 per cent stock interest to private aviation interests.

It is obvious that the Dominion Government and the railway companies will take up their allotment in cash. With private aviation companies there arises the question of appraising existing equipment, personnel, etc.

It is learned officially that the committee believes (and the government concurs in the belief) that the new corporation cannot afford to give any stock allowances for good will or other intangible assets.

Nothing has yet been done to award the 45 per cent stock interest among existing aviation interests, but it is learned that Canadian Airways Ltd. is regarded as having the greatest claim for preferment.

The extent to which the private companies would be interested in entering the picture is not clear. The proposed set-up will deny to any single group the control of the corporation. The Dominion Government, with 25 per cent of the stock, and the National Railways, with 15 per cent, will form the strongest unit.

C.N. Calls Tenders On Quebec Branch

Expect to Have Groundwork Done by End of Next Season

From Our Own Correspondent

MONTREAL.—Canadian National Railways is now calling tenders for construction work on the new branch line through the Northern Quebec mining area.

There are 2 important bridges to be built. One crosses the so-called narrows between Lake Lemoine and Lake Dubuisson and the other the Kinojevis River, which crosses the new line 9 miles east of Rouyn. The waterways to be spanned in both cases are about 1,000 ft. in width, measured at the high-water mark.

Time for completion is called for as the various stretches of the work involved are such as to permit the work of track-laying and ballasting to start from Senneterre end early in the summer of next year and progressively extending to the final date of the working season, fixed as November 15, 1937.

U.S. Construction Up 75 Per Cent

First 8 Months of Current Year Well Ahead — Half Residential

For the first time in over a year August residential building in United States fell off slightly over a previous month. It was slightly down from July. Against August a year ago, however, there was an increase of over 50%.

This decline was offset by an increase in other types of construction, largely in factories and office buildings.

Indicating the trend of home modernization, additions, alterations and repairs to homes showed an increase of almost 10% in August over July.

Big Current Gain

For United States cities having a population of 10,000 or over, building permits were issued during the first 8 months of 1936 to a value of $885 millions. This was a gain of almost 75% over the corresponding period of the preceding year. Of this total, residential construction accounted for approximately $400 millions or an increase of $225 millions over the first 8 months of 1935. Value of non-residential construction during this period increased 53%.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

A Modern Fireproof Hotel of 350 Rooms
Rates: $2.00, $2.50, $3.00
Double Rooms: $4.50, $5.00
MAIN DINING ROOM
Club Breakfasts 25c to 65c
Lunch 65c to 85c
Dinner $1.00 to $1.50
COFFEE SHOP
•
HOTEL LONDON,
LONDON, ONT.
Manager: H. F. Struckett

STEEL STRUCTURES
RAILWAY AND HIGHWAY BRIDGES
PLATE AND TANK WORK
ELECTRIC AND HAND POWER CRANES
HYDRAULIC REGULATING GATES AND OPERATING MACHINERY
Caissons, Barges, Coal and Ore Bridges, Liftlocks, Turntables, Gear Cutting, General Machine Work, Forgings.
DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE - - LACHINE (MONTREAL) QUE.
BRANCH OFFICES AND WORKS:
MONTREAL OTTAWA WINNIPEG VANCOUVER
AMHERST TORONTO CALGARY
AGENCIES: EDMONTON REGINA

To increase your SALES *give your store*
INDIVIDUALITY

SPECIALTY shops must have individuality: it is their most valuable asset. Many successful shops have achieved this individuality by installing custom-built floors which reflect the *character* of their business.

Give *your* store individuality. Choose a floor design in keeping with the nature of your business . . . then consult your supplier about reproducing it — with Dominion Battleship Linoleum (either plain, Marboleum or Jaspé). This permanent, easier-to-clean floor comes in 19 different colours and effects and can be cut to reproduce almost any design.

Descriptive bulletins on request.

DOMINION OILCLOTH AND DOMINION BATTLESHIP LINOLEUM LINOLEUM COMPANY LIMITED, MONTREAL

Position of Chartered Banks of Canada as of August 31, 1936, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. Due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	28,817,289	7,524,042	7,435,245	....	165,990,047	407,430,030	88,150,727	2,571,359	3,302,447	5,044,746	184,671
Nova Scotia	10,490,039	340,529	1,082,462	....	38,538,420	144,025,901	41,618,855	2,310,802	185,667	1,814,204	14,370
Toronto	4,207,750	257,519	272,503	....	29,796,527	73,406,897	897,802	903,636	587,609	1,559,206	754,875
Provinciale	3,434,332	37,887	23,337	....	5,538,812	35,736,816	138,972	1,610	....	73,997	....
Commerce	26,349,088	530,447	10,981,598	....	139,674,176	298,322,226	62,606,569	1,913,574	1,796,344	7,774,808	56,659
Royal	32,118,134	261,772	10,542,643	....	156,463,716	295,905,011	225,656,581	439,830	951,261	11,985,357	223,324
Dominion	6,348,659	282,070	851,740	....	31,754,697	70,222,779	4,453,526	1,898,195	139,810	533,928	....
Nationale	5,331,609	350,247	1,025,487	....	24,694,842	90,909,259	1,573,883	834,174	38,341	250,808	62,795
Imperial	6,108,958	709,715	2,969,710	....	32,328,855	83,231,050	143,553	1,209,712	377,841	1,147,932	....
Barclays (Canada)	321,275	27,592	47	....	1,543,406	3,631,926	2,232,682	473,677	3,041,102	1,520,762	....
Total	123,527,133	10,321,820	35,184,772	....	626,323,498	1,502,821,895	427,473,150	12,556,569	10,420,422	31,705,748	1,296,694

NAME OF BANK	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	SUPPLEMENTARY INFORMATION					
							Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are partners	Average Notes and deposits with Bank of Can.	Greatest amount of Notes in Circ.
	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	7,487,578	2,065,460	725,644	38,000,000	36,000,000	800,729,293	50,000,000	36,000,000	8	913,568	73,768,539	29,384,994
Nova Scotia	7,774,464	92,365	363,137	24,000,000	12,000,000	284,651,222	15,000,000	12,000,000	12	2,173,167	18,803,000	10,490,039
Toronto	1,402,684	....	150,491	9,000,000	6,000,000	129,197,503	10,000,000	6,000,000	10	988,950	9,749,871	5,026,590
Provinciale	59,254	1,720	63,818	1,000,000	4,000,000	50,110,560	5,000,000	4,000,000	6	419,087	3,288,982	3,745,027
Commerce	18,958,259	....	604,143	20,000,000	30,000,000	619,567,897	50,000,000	30,000,000	8	4,040,195	43,308,490	26,349,088
Royal	21,954,045	134,542	711,018	20,000,000	35,000,000	812,347,241	50,000,000	35,000,000	8	1,658,138	43,389,833	32,118,134
Dominion	2,641,661	240,395	176,257	7,000,000	7,000,000	133,543,723	10,000,000	7,000,000	10	1,100,840	12,397,316	6,350,321
Nationale	618,706	163,460	146,158	5,000,000	7,000,000	137,999,775	10,000,000	7,000,000	8	186,558	8,003,865	5,493,064
Imperial	863,508	....	4,833	8,000,000	7,000,000	144,095,673	10,000,000	7,000,000	10	424,100	8,173,903	6,250,030
Barclays (Canada)	1,127,732	....	....	750,000	1,500,000	16,170,205	1,500,000	1,500,000	....	1,300	533,964	321,275
Total	62,887,891	2,697,942	2,945,499	132,750,000	145,500,000	3,128,413,092	211,500,000	145,500,000	....	11,905,903	221,417,763	125,528,563

▲ Of this amount, $59,401,228 represents deposits in Canada in currencies other than Canadian, carried under demand and savings deposits in Canada.

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canada	Cheques on other banks	Balances due from other banks in Canada	Due by banks in U.K.	Due by banks elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal*	1,110,958	3,168,114	12,574,537	56,440,604	2,024,210	696,322	27,851,039	6,863	3,480,100	44,904,797
Nova Scotia	373,637	1,634,973	3,018,977	15,832,171	667,469	3,539,632	11,761,803	....	640,285	6,758,266
Toronto	214,761	....	2,129,169	7,257,927	473,870	130,848	6,481,940	....	851,981	1,837,153
Provinciale	210,769	....	953,134	2,285,674	334,330	91,927	1,469,149	1,653,737	8,276	107,086
Commerce†	857,323	288,764	4,113,488	48,526,908	1,175,305	1,252,850	18,056,552	22,574	666,977	12,474,127
Royal‡	1,352,099	6,562,937	6,089,383	32,635,145	1,658,519	19,407,607	23,944,270	455	16,413,549	43,047,862
Dominion	268,510	726	1,901,254	9,029,712	535,070	170,276	5,262,061	....	301,611	871,862
Nationale§	495,765	1,618	3,276,743	5,183,190	798,415	120,268	3,877,429	1,010,340	301,733	1,548,625
Imperial	390,849	....	4,491,899	3,050,315	652,050	170,317	6,280,358	616,655	611,505	2,090,627
Barclays (Can.)	2,681	....	66,290	501,013	7,495	10,406	714,324	1,794,939	3,491,464	549,191
Total	5,277,352	11,657,132	38,614,874	180,742,659	8,326,733	25,590,453	105,698,925	5,105,563	26,767,481	114,189,596

NAME OF BANK	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call loans in Canada	Call loans elsewhere	Current loans in Canada	Current loans elsewhere
	$	$	$	$	$	$	$	$	$
Montreal*	169,858,881	193,536,910	34,266,961	8,644,057	19,770,799	5,427,283	21,724,585	120,784,667	12,161,582
Nova Scotia	33,065,942	62,687,224	13,307,759	735,312	13,135,109	8,652,855	2,382,872	65,177,352	16,292,178
Toronto	7,519,666	43,096,841	7,242,105	1,043,753	3,155,632	4,780,061	....	33,739,762	....
Provinciale	1,256,087	8,691,116	9,792,742	....	3,484,358	3,797,848	....	11,610,056	....
Commerce†	43,892,062	157,081,750	10,879,549	27,684,351	20,707,171	25,382,667	17,285,514	131,301,909	21,272,665
Royal‡	109,044,202	129,010,541	9,780,445	16,449,137	26,520,750	21,712,465	12,297,983	172,898,799	104,429,598
Dominion	16,224,448	24,777,822	5,468,083	1,247,947	3,991,231	8,316,107	4,840,527	39,536,399	1,152,500
Nationale§	11,949,584	19,167,791	20,808,868	295,520	8,926,260	4,990,136	....	33,535,579	59,931
Imperial	9,418,396	37,851,709	3,893,289	....	255,166	6,660,221	....	47,697,317	....
Barclays (Can.)	1,072,128	4,333,613	133,399	....	4,975	807,900	....	1,080,355	....
Total	403,301,396	680,235,317	115,573,200	56,100,077	99,951,451	90,527,543	58,531,481	657,362,195	155,368,454

NAME OF BANK	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$
Montreal*	4,098,323	32,387,910	3,156,734	721,309	829,163	14,300,000	1,737,019	258,441	903,409,759
Nova Scotia	406,719	6,107,636	867,746	....	100,068	6,887,943	575,313	2,790,361	285,174,080
Toronto	....	4,645,443	240,740	....	34,134	3,542,838	345,084	....	130,166,403
Provinciale	....	1,061,195	122,549	675,622	353,069	2,093,463	183,675	132,980	50,428,106
Commerce†	6,895,124	25,099,570	3,802,650	2,668,495	1,637,785	14,326,070	1,325,000	3,998,265	621,633,737
Royal‡	1,613,988	10,117,572	3,915,837	2,943,535	801,720	15,855,980	1,625,000	3,354,271	815,437,705
Dominion	....	671,753	386,702	94,271	40,830	5,858,243	340,000	172,550	134,102,168
Nationale§	3,086,460	9,710,105	347,642	1,542,405	375,383	6,104,304	391,921	189,380	138,714,116
Imperial	5,760,950	6,739,054	512,435	284,177	397,940	6,101,958	480,910	169,645	145,441,361
Barclays (Can.)	....	....	11,251	....	....	450,000	17,196	....	16,176,288
Total	21,861,564	96,540,238	13,364,286	8,929,814	4,570,092	75,520,799	7,021,118	11,065,893	3,140,883,601

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* The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on by locally incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§ The assets and liabilities of the Banque Canadienne Nationale, France, [illegible] operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return. — Footnote to Banque Canadienne Nationale return.

▲ Total assets include $62,887,891 letters of credit outstanding as well as liabilities.

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded on stock exchanges, bid and asked prices are given as a guide to current levels. For unlisted stocks, in which transactions are not officially recorded, bid and asked quotations by unlisted dealers are published elsewhere on this page. While The Financial Post endeavors to obtain the most accurate prices for unlisted stocks it cannot accept any responsibility for such quotations.

WEEK ENDED OCTOBER 5

Range 1936 High	Low	Div R'te $	Sep28 Y'ld %		Sales	Last Sept. 28	Week end. Oct. 5 H	L	Cl'se
				A					
3.50	1.25	.	...	Abitibi	108650	2.12	3.50	2.25	3.37
20¼	6½	.	...	Do. pref. 6%	1487	15¼	19¾	15¼	19¾
20¼	6¾	.	...	Do. cert. dep.	10213	14¾	20¼	15¼	19¼
4½	4½	.	...	Acadia Sugar	....	(4½ Apr. 24)			
21	14½	50c	2.5	Acme Glove	....	(17 bid — asked)			
100	94	6.50	6.9	Do. pref.	....	(94 bid 97 asked)			
10	7½	40+20c.		Agnew Surp.	....	(— bid 9½ asked)			
107½	100	7	6.5	Do. pref.	15	107	107½	107	107½
6	2	.	...	Alta. Pac. Gr.	440	2½	3½	3	3
39	19	.	...	Do. pref.	545	22	26	22	25
54½	54½	.	...	Aluminium	....	(54½ Sept. 24)			
3	2	.	...	Amal. Electric	50	2	3	3	3
23	14	.	...	Do. pref.	....	(15 bid — asked)			
40½	29¾	15c	...	Amer. Cyn. B.	....	(— bid 40 asked)			
55	51¾	3.50	6.6	Ang. C. Tel. pf.	....	(55 bid — asked)			
70	17½	.	...	Asbestos v. t.	3265	69	70	62	66
15	9½	60c	6	Assoc. Brew.	313	9½	10	9½	9¾
110	103	7	6.4	Do. pref.	10	110	110	110	110
8½	7½	.	...	Assoc. T. & T.	....	(7½ bid — asked)			
51½	34	.	...	Do. pref.	25	51	51	51	51
106	104	7	6.7	Atlan. Sug. pf.	100	105½	104	104	104
				B					
58½	51½	2.25	3.9	Bank of Canada	142	58	58½	57	58
141½	133	8	5.7	Bk. Can. Nat.	36	140	140	130	139
214	182½	8	4	Bk. Montreal	400	200	200	199	200
300	271	12	4.2	Bk. N. Scotia	143	280	287	280	282½
235	220	10	4.4	Bk. Toronto	56	225	226	225	226
13½	6½	75c	...	Barcelona	....	(5 bid 7¾ asked)			
17¾	10½	.	...	Bathurst Pr.	16295	14½	15½	14¾	15
5¾	3	.	...	Do. (B)	330	3¾	4½	4½	4½
4½	1	.	...	Bawlf Grain	755	1	2¾	2	2½
38	20	.	...	Do. pref.	80	23	25	23	25
5	2½	.	...	Beath & Sons	....	(2½ bid 5 asked)			
15	9½	.	...	Beatty Bros. A.	80	10	11	10	11
107	96	6	5.8	Do. pref.	....	(101 bid 106 asked)			
4½	1¾	.	...	Beauharnois	3916	2½	4½	2½	4
110	97½	4	4.1	Belding Cort.	....	(97 bid — asked)			
145	130	7	5.2	Do. pref.	....	(135 bid — asked)			
151	140	6	4	Bell Telephone	903	150	151	150	150¾
49	30	2.25	...	Biltmore Hats	40	47	49	49	49
110	110	7	6.4	Do. pref.	....	(110 bid — asked)			
5	3	.	...	Bissell, T. E.	80	4	3½	3	3½
50	33	.	...	Do. pref.	....	(35 bid 40 asked)			
5	2¾	.	...	Blue Ribbon	....	(3¾ bid 4½ asked)			
33	27	2	6.3	Do. pref.	165	29½	32	31½	32
28	25½	32½c	..	Brant. Cord. pf.	20	28	26½	26½	26½
17	9¾	30c	...	Brazilian Tr.	136115	13½	17	14	16¾
1.45	.75	.	...	Brew. & Distil.	4360	.85	.85	.75	.80
4½	1¾	.	...	Brewing Corp.	2846	1¾	2½	1¾	2½
18½	10¾	1.50	12.5	Do. pref.	8369	12½	12½	11½	12½
9	5	30c	6	Bright, T. G.	....	(6½ bid 8 asked)			
82	80	6	12	Do. pref.	....	(80 bid — asked)			
27¾	16½	80c	3.5	Brit. Amer. Oil	5935	23½	23½	22½	22¾
13	8	.	...	B. C. Packers	220	13	13	12½	12¾
32¾	28½	1.50	4.8	B. C. Power A.	596	32½	32½	31	32
5¾	3½	.	...	Do. (B)	505	3¾	4	4	4
16	7½	10c	...	Bruck S. Mills	740	8½	8¾	8	8¾
48½	33	1.40+25c	.	Building Prod.	352	48	48	47	48
9¾	6¾	.	...	Burry Biscuit	100	9½	9½	9½	9½
75	51	3	4	Do. pref.	205	72½	75	72½	75
47¾	37½	2	4.6	Burt, F. N.	792	43½	43½	43	43
				C					
120	120			Calgary Power	....	(120 Sept. 28)			
86½	75	6	7.4	Do. pref.	....	(— bid 75 asked)			
7½	4½	.	...	Canada Bread	1945	6	7½	6	7
101	90	1.25+50c.		Do. pref. A.	20	101	101	100	100
46	30	50c	...	Do. pref. B.	....	(45 bid 46½ asked)			
10½	6½	40c	...	Canada Bud	100	8½	8¾	8½	8¾
9½	6	.	...	Canada Cement	16733	7½	9½	7½	9
88½	58	.	...	Do. pref.	870	86½	88½	86	88½
61½	57	1.50+1	4.2	Can. & D. Sug.	45	59½	60½	60	60
b19¾	10¾	.	...	Canada Dry	45000	17½	19¾	16¾	19½
8½	3	.	...	Can. Forg. (A)	100	6	8½	7	8½
2	2	.	...	Do. (B)	....	(3 bid — asked)			
50	30	.	...	Canada Iron	....	(34 bid 50 asked)			
60	51	3	5.4	Do. pref.	....	(51 bid — asked)			
35	30½	1.50	4.3	Can. Malting	1635	35	35	34½	35
29	22½	1.20	4.7	Can. Nor. Pr.	700	26½	26½	25¾	25¾
112½	107¾	7	6.4	Do. pref.	20	111½	110½	110	110
93	80	3	3.3	Can. Packers	95	90	90	90	90
118	105	.	...	Can. Paper, pf.	....	(110 bid — asked)			
2	1¾	.	...	Can. Paving, pf.	....	(2 bid 4 asked)			
160	130	8	5.9	Can. Perman.	175	135	135	130	130
3.25	1.00	.	...	Can. Steamsh's.	230	1.75	2.00	1.75	2.00
15½	6½	.	...	Do. pref.	812	7½	8	7½	7¾
27½	19¾	1.20	5.8	Can. Vinegars	175	20½	21	20½	20¾
40	20½	.	...	Can. W. Cable	20	40	40	40	40
20½	9	.	...	Do. (B)	30	17½	20½	19	20
116	98½	3.25▲	..	Do. pref.	....	(116 bid — asked)			
4	2	.	...	Can. Bakeries	....	(2¾ bid 3½ asked)			
57	40	.	...	Do. pref.	65	49½	49½	49½	49½
170	148	8	5	Can. Bk. Com.	297	156	160	156	160
41	30	1	2.5	Can. Bronze	270	40	40	39½	40
116	101½	5	4.6	Do. pref.	41	108½	108½	107	108½
5½	4	.	...	Can. Canners	20	4¾	4¾	4¾	4¾
103½	88¾	6	5.8	Do. 1st pfd.	35	103	103	103	103
8½	5	.	...	Do. 2nd. pfd.	990	7½	8	7¾	8
10½	5½	.	...	Can. Car & F'y	14105	9¾	10½	9½	10½
22	13	.	...	Do. pref.	4418	19¾	22	19¾	21¾
31½	25½	40c	...	Can. Celanese	2785	27¾	28¾	26¾	28¾
130½	112	7	5.4	Do. pref.	145	130	130½	130	130½
21½	18	.	...	Do. Rights	60	20¾	20¾	20¾	20¾
30	21½	2	9.1	Can. Convert.	20	22	22	21½	22
55	48	4	7.6	Can. Cottons	35	52	52½	52	52½
105	97	6	5.9	Do. pref.	35	101	101	100	101
50	37	2+1	6.4	Can. Dredge	605	46½	47	45½	47
100	98¾	6	6	Can. Fairb. pf.	....	(100 bid — asked)			
34	23½	1.60	5.4	Can. For. Inv.	587	28	30	29	30
107½	105	8	7.4	Do. pref.	....	(106 bid — asked)			
180	150	5	2.7	Can. Gen. Elec.	10	175	180	180	180
8½	7½	50c	...	Can. G. Inv.	....	(9 bid — asked)			
51½	26	.	...	Can. Hyd. El. pf	2535	43	51½	43½	51½
12½	6½	.	...	Can. Ind. Alc.	9140	6½	6¾	6½	6¾
11½	5	.	...	Do. (B)	1090	5½	6	5½	6
225	221	4.25	...	Can. Indust. B.	....	(222½ Sept. 21)			
4	1	.	...	Can. Int. I. Tr.	65	2	2	2	2
65	35	.	...	Do. pref.	10	56	56	56	56
23	20	1	5	Can. Lt. & Pr.	....	(20 bid 21 asked)			
4	1	.	...	Can. Locomo.	....	(1½ bid 4 asked)			
b2¾	1½	.	...	Can. Marconi	2643	1¾	2	1½	1¾
18	12	50c	4.2	Canadian Oil	....	(12½ bid 13 asked)			
142	123	8	5.6	Do. pref.	180	140	142	140	140
15¾	10¾	.	...	Can. Pacific	31804	12	13½	11¾	13½
.50	.10	.	...	C. Pr. & Pa. In.	....	(.45 bid 1.00 asked)			
7	4½	.	...	Do. pref.	....	(6 bid — asked)			
5½	1½	.	...	Can. Vickers	1906	4¾	5½	4¾	5½
38	12	.	...	Do. pref.	176	36	38	34½	38
26	24	1.25	...	C. Wallpaper, A	5	24	25½	25½	25½
26	24½	1.25	...	Do. B	30	25	25	24½	24½
3¾	2	.	...	Can. Wineries	780	2½	2½	2	2½
26½	21	1.50	...	Can. Wire Box	384	24	25	24½	24¾
102¾	100	5	4.9	Carnation, pfd.	517	102	102¾	101½	102½
9½	2½	.	...	Catelli Food	535	8	9½	8½	9
15	11½	.	...	Do. pref.	415	12	13	12	12
165	150	8	5.3	Cent. Can. L'n	....	(148 bid 195 asked)			
1.60	.75	.	...	Chem. Research	2000	.75	.79	.75	.76
3½	1	.	...	City Gas & Elec	320	1	1	1	1
.60	.15	.	...	Claude Neon	1025	.25	.40	.35	.35
15	12½	92c	...	Coast Brew.	657	13¾	15	13½	14¾
8½	4	.	...	Do. Rights	555	7	8	7¾	8
9¾	5½	.	...	Cockshutt Plow	2015	7	8½	6½	8½
1.35	.60	.	...	Comm. Alcohol.	400	.85	.90	.75	.90
20	15¾	80c	4.1	Cons. Bakeries.	1988	18	20	18	20
7¾	2	.	...	Cons. Paper	56144	5¾	7¾	5¾	7½
9	5	.	...	Cons. Press	....	(8¾ bid 9 asked)			
35	32	.	...	Cons. Sand, pf.	....	(32 bid — asked)			
60½	51	50c	...	Cons. Smelters.	5557	58¾	59¾	58½	59½
205½	189	10	4.9	Consumers' Gas	65	204	205	203	204
90	78	7	8.7	Corr. P. Box pf.	75	80½	82	80	82
27½	17½	80c	3	Cosmos Imp.	130	27½	27½	26	27
106	102	5	4.7	Do. pref.	....	(105 bid — asked)			
18½	15	80+20c	.	Crown Cork	335	17	18½	17½	18½
2¾	1½	.	...	Crown Dom. Oil	40	1¾	2	2	2
56	30	3	...	Crow's N. Coal.	....	(49 bid 49½ asked)			
				D					
4	2	.	...	David & Fre. A.	25	2½	2½	2½	2½
1.25	.50	.	...	Do. (B)	....	(— bid .75 asked)			
10	2	.	...	De Havilland	1160	9	10	8	10
68	40	.	...	Do. (A)	10	63	63	63	63
4	4	.	...	Disher Steel	....	(— bid 3¾ asked)			
11½	7½	.	...	Do. pref.	....	(11 bid 16 asked)			
34¾	18½	.	...	Distill-Seagram.	15270	23½	25¾	23½	23½
222½	190	10	5	Dom. Bank	44	200	200	197	200
49½	32	1.20	2.4	Dom. Bridge	4355	46½	49½	46½	49
19½	14	1.50	8.1	Dom. Coal, pf.	4710	17½	19½	17	19
50	26½	.	...	Dom. Engineer.	955	40	50	40	47½
60	32	.	...	Dom. Foundries	....	(60 bid — asked)			
115	106	5	4.5	Dom. Glass	120	110	110	109½	109½
155	135	7	4.6	Do. pref.	....	(150 bid 154 asked)			
36½	33	.	...	Dom. Oilcloth	....	(36 bid 37 asked)			
100	95	7	7.3	Dom. Rubber, p.	....	(99 bid 102 asked)			
8	3¾	.	...	Dom. St. & C. B.	12342	5¾	7	5¾	6¾
12	8	.	...	Dom. Stores	5776	9¾	11½	9¾	11½
10½	4¾	.	...	Dom. Tar & Ch	10035	9	10¾	9	10½
100	57	.	...	Do. pref.	534	95	97½	96	97½
79	60	5	6.8	Dom. Textile	713	70	73	70	71¾
148	143	7	4.8	Do. pref.	4	146½	148	147	148
11¾	4½	.	...	Donnacona P A	17172	8½	11¾	8¾	11
11	2¾	.	...	Do. (B)	1941	8½	11	8½	10¾
10	4¾	.	...	Dryden Paper	4945	8½	10	8	10
				E					
2½	1	.	...	East. Koot. Pr.	....	(— bid 2½ asked)			
16	5	.	...	Do. pref.	28	7	10	8	10
3½	1½	.	...	East. Dairies	45	1½	1¾	1½	1½
16½	8½	.	...	Do. pref.	....	(9 bid — asked)			
18	10	1	...	East. Steel	680	15½	18	15½	16
106	80	7	6.6	Do. pref.	10	100	106	106	106
85	72¾	7	8.7	East. Theat., pf.	....	(— bid 85 asked)			
4	1½		...	Easy Washing	105	3¾	4	3¾	4
30	20	1	...	Economic Inv.	....	(27 bid 30 asked)			
28½	19¾	1.60+10c	..	Electrolux	255	22	22	21½	21½
3	1	.	...	Enam. & Heat.	....	(1½ bid 3 asked)			
6½	5½	.	...	Equitable Life.	60	5½	5¾	5½	5¾
30	10½	.	...	Eng. Electric	173	23	30	25	30
12½	4	.	...	Do. (B)	....	(12 bid — asked)			
7	7	.	...	European El. A	....	(7 bid 12 asked)			
.35	.35	.	...	Do. Warrants.	....	(.35 bid — asked)			
				F					
25	18	.	...	Fam. Players	50	20	21½	19¾	21
20	14	.	...	Do. Vot. Tr.	....	(18 bid — asked)			
20	13½	50+12½c.		Fanny Farmer	6515	19	20	18¾	19½
28½	18¾	75c	3	Ford Motors A.	16905	23½	24¾	23	24½
3.00	.65	.	...	For. Pr. Secs.	....	(.65 bid .80 asked)			
23	13	.	...	Foundation Co.	5335	19	23	19½	22¾
21¾	9	.	...	Fraser Cos.	2771	19½	21¾	19	21½
22	8	.	...	Do. Vot. Tr.	18717	17¾	22	17¾	21½
60	35	6	10.5	Freiman, pf.	....	(— bid 46 asked)			
8	2¾	.	...	Frost Steel	25	7	5	5	5
100	88	5.25	...	Do. pref.	....	(88 bid 100 asked)			
				G					
6½	3	.	...	Gen. St. Wares	9095	4	6½	4	5¾
67½	45	.	...	Do. pref.	610	60½	67½	58	66½
90	64¾	2.50	3	Goodyear Tire	260	83½	83½	83	83½
59	53½	2.50	4.4	Do. pref.	289	56	56½	56	56
3	1	.	...	Gt. W. Saddlery	350	1½	1½	1	1½
30	13	.	...	Do. pref.	63	16	19	16	19
8½	5	.	...	Gurd, Chas.	150	5½	5½	5½	5½
100	90	7	7.8	Do. pref.	....	(90 bid 95 asked)			
12	5½	.	...	Gypsum, Lime.	32102	9¾	12	10	11½
				H					
6¾	4	.	...	Ham. Bridge	1460	6½	6¾	5¾	6¾
46	25½	.	...	Do. pref.	245	45	46	43	46
31	25½	2	6.4	Ham. Cot., pf.	....	(30¾ bid — asked)			
2	¾	.	...	Ham. U. Theat.	....	(1½ bid 2 asked)			
60	50	4	6.7	Do. pref.	....	(58½ bid — asked)			
5	2½	5c.	...	Harding Carpet.	1405	4	5	4	5
9	1½	.	...	Hillcrest Coll.	....	(2½ bid 10 asked)			
16	7	.	...	Do. pref.	....	(— bid 25 asked)			
18	12	50c	...	Hinde & Dauch	886	17	17	16¾	17
7	4	.	...	Holt Renfrew	....	(4½ bid — asked)			
40	30	.	...	Do. pref.	20	40	37	37	37
.70	.40	.	...	Honey Dew	....	(.50 bid .90 asked)			
14	7	.	...	Do. pref.	10	10½	14	14	14
15½	9½	.	...	H. Smith Pap.	17173	13½	15½	13	15¾
119	88	3	...	Do. pref.	534	100	98½	98	98
35	29	2	6.2	Humberstone S.	30	31½	31½	31½	31½
17	4½	.	...	Hunts (A)	359	12	17	12	17
18	6	.	...	Do. (B)	150	12	18	12½	18
90	70	5	7	Huron & E. Mt.	154	71¾	71	70	71
12¾	8½	.	...	Do. 20% pd.	150	9½	9½	9½	9½
10½	6½	.	...	Hydro Electric	150	7	7¾	7½	7¾
				I					
221	197½	10	5	Imperial Bank.	38	203	201	200	200½
24½	20½	50+75c	5.9	Imperial Oil	31717	21½	21¾	21	21½
14½	13½	52½c	3.7	Imperial Tob.	7140	13¾	14½	13¾	14
7¾	7	6%	...	Do. pref.	....	(7¾ bid — asked)			
33	19	1	...	Inter. City Bak.	....	(32 bid — asked)			
48	40	4.50	...	Inter'c Coal	....	(— bid 49½ asked)			
115	115	8	6.9	Do. pref.	....	(120 bid — asked)			
20	20	1c	...	Int. Coal & C.	....	(.10 bid — asked)			
b5¾	2½	.	...	Int. Hyd. E. A.	6964	3¾	4¾	3¾	4¾
10	4	.	...	Int. Metal Ind.	730	8½	9	8	9
72	30	.	...	Do. pref.	55	65	70	68	70
105½	101	5	4.8	Inter. Mill., pf.	35	103¾	103	103	103
62¾	43½	1.40	...	Inter. Nickel	34784	60¾	62¾	60¾	62½
6	2½	.	...	Inter. Paints	215	3½	4	3	4
29½	14¾	1.12½▲	...	Do. pref.	175	16½	17	16½	17
b12½	3¾	.	...	Int. Pa. & P. A.	31287	6¾	12½	6¾	12½
b5¾	2½	.	...	Do. (B)	7587	3½	5¾	3	5¾
b3¾	1¾	.	...	Do. (C)	30092	2	3¾	2	3¾
b65½	20½	.	...	Do. pref.	69775	48	65½	48	65½
39¾	33	1.50+1	6.9	Inter. Pete.	7823	35	36½	35	36½
6	3	.	...	Inter. Power	86	3¾	5	4	5
95	57	6	6.4	Do. pref.	182	94½	95	93	94½
15½	13	.	...	Int. St. Rly. A.	....	(— bid 13 asked)			
14½	3¾	.	...	Int. Util. (A)	....	(9 bid 10 asked)			
2.25	.40	.	...	Do. (B)	4415	1.00	1.30	1.00	1.15
				J					
37½	33	1.75	4.7	Jam. Pub. Ser.	2150	36	37½	36	37½
127	123½	7	5.5	Do. pref.	....	(130 bid — asked)			
				K					
21½	6¾	1.25	...	Kelvinator	1050	20¾	21	20	20¾
107	102½	7	6.6	Do. pref.	....	(105¾ bid — asked)			
				L					
38	16½	.	...	Lake of Woods.	4506	33	38	32¾	35¾
170	123	1.75	...	Do. pref.	20	162½	170	165	170
58	54	5	9.1	Landed Bank	....	(55 bid 70 asked)			
4	3	.	...	Langley's	....	(1 bid 3½ asked)			
56	35	.	...	Do. pref.	15	55	55	55	55
70	64¾	3	4.5	Laura Secord	180	66	66	65½	66
5½	2	.	...	Lindsay, C. W.	50	4½	5	5	5
56	40	.	...	Do. pref.	....	(55 bid — asked)			
21¾	18¾	1	4.6	Loblaw (A)	1720	21¾	21½	21½	21¾
20½	17½	1	4.9	Do. (B)	2002	19¾	20½	19¾	20
				M					
2¾	2¾	.	...	MacKin. Steel	....	(2½ bid — asked)			
17¾	16½	.	...	MacLaren Pr. p	1495	—	17¾	16½	17
.75	.50	.	...	M. L. Gardens.	77	.50	.75	.75	.75
4	2½	.	...	Do. pref.	10	3	2½	2½	2½
4	2¾	.	...	Maple Leaf	8716	2¾	4	2¾	3¾
10	2	.	...	Do. pref.	3503	6½	10	6	8½
*12¾	12	60c	...	Maritime Tel.	....	(13¾ bid — asked)			
15	15	70c	4.7	Do. pref.	....	(14¾ bid — asked)			
18	18	.	...	Marcus Loew's	....	(— bid 20 asked)			
116	111	7	6	Do. pref.	....	(115 bid — asked)			
7½	3¾	.	...	Massey-Harris	7656	4½	5¾	4½	5¾
40	28	.	...	Do. pref.	1695	31½	31	29½	30½
17¾	12½	80c	5.6	McColl Fron.	5658	14½	14½	13¾	14½
105	96½	6	5.8	Do. pref.	246	105	104½	102½	103½
13¾	9	.	...	Melchers (A)	700	9½	9½	9	9½
5¾	2¾	.	...	Do. (B)	230	3	4	3	4
13½	9	.	...	Mercury Mills, p	....	(11 bid 18 asked)			
42	30	1	2.7	Mitchell, J. S.	....	(38 bid — asked)			
110	110	7	6.4	Do. pref.	....	(110 bid — asked)			
10½	5½	.	...	Mitchell, Robt.	1856	8¾	10½	8¾	10½
5	3	.	...	Monarch, Knit.	....	(4 bid — asked)			
90	85	7	8.2	Do. pref.	30	85	85	85	85
37	26	.	...	Montreal Cot.	5	33	37	37	37
100	85	7	7.2	Do. pref.	10	96	97	96	96
2½	1½	.	...	Mont. Is. Pr.	....	(1½ bid 4 asked)			
34½	30	1.50	4.4	Mont. L. & Pr.	10391	33½	34½	32¾	34½
27½	26	2	7.3	Montreal Loan	....	(27 bid 30 asked)			
9½	9	.	...	Mtl. Ref. & S. P.	10	9½	9½	9½	9½
2	2	.	...	Do. Vot. Tr.	10	2	2	2	2
60	55½	3.20	5.5	Montreal Tele.	....	(55 bid 58 asked)			
103	85	9	9.9	Montreal Trams	60	93	93	91	91
42½	27¾	1	2.4	Moore Corp.	410	41	41¾	41	41½
180	146	7	4	Do. pref. (A)	45	175	178	175	175
250	175	7	2.8	Do. pref. (B)	55	249	250	250	250
1.25	.25	.	...	Muirheads	656	.60	1.25	.60	1.00
3½	3	.	...	Do. pref.	....	(4½ bid — asked)			
				N					
45	37	2	4.8	Nat. Breweries.	4525	41½	42	40½	41½
45	39¾	1.75	4.1	Do. pref.	77	43	42½	42½	42½
7¾	5	.	...	Nat. Grocers	795	7	7	6½	7
140	130	7	5.2	Do. pref.	170	140	135	133	135
20	16¾	.	...	N. Sew. Pipe A.	45	19	19	19	19
25¾	13	.	...	Nat. Steel Car.	14010	16½	25¾	16½	24¾
214	196	8	3.9	National Tr.	3	206	206	206	206
38	29	40c	...	Niag. W. Weav.	2421	31¾	38	32	37
1.75	.90	.	...	North Star Oil.	30	1.75	1.25	1.25	1.25
4.00	3.15	8¾c	..	Do. pref.	210	3.87	4.00	3.78	3.87
84½	61	5	5.9	N. S. L. & Pr.	....	(88 bid — asked)			
102½	100¾	6	5.9	Do. pref.	....	(103 bid — asked)			
				O					
240	199¾	8	3.6	Ogilvie Flour.	175	225	225	223	225
165	152	7	4.2	Do. pref.	....	(165 bid — asked)			
119	100	6	5.8	Ontario Loan	139	107½	103½	100	102
14½	7	.	...	Ont. Silknit	....	(— bid 10 asked)			
90	75	7	9.3	Do. pref.	30	75	76	75	76
11½	8	.	...	Ont. Steel	....	(9 bid 11 asked)			
95	74	1.75	...	Do. pref.	....	(98 bid — asked)			
.40	.20	.	...	Orange Crush	....	(.25 bid .35 asked)			
26	6	.	...	Do. 1st pref.	70	21	20	20	20
1.35	40	.	...	Do. 2nd pref.	....	(.75 bid .90 asked)			
101	100	6	5.9	Ott. L. H. & Pr.	117	100	101	100	100
103	102	.	...	Do. pref., new	50	..	103	102	102
21	15	2	10.2	Ott. Traction	5	20	19½	19½	19½
				P					
95	78½	3	3.2	Page Hersey	636	92½	95	91½	95
6¾	3½	.	...	Pantapec Oil.	2375	5½	5¾	5½	5¾
25	18	.	...	Paton Mfg.	....	(— bid 20 asked)			
100	100	7	7	Do. pref.	....	(100 bid 104 asked)			
57½	48	3	5.3	Penmans	110	57	57½	57	57½
125½	118	6	4.8	Do. pref.	5	125	125½	125½	125½
27	21½	1	4.3	Photo Eng.	115	23	23¾	23½	23½
97	82	7	7.6	Porto Rico Pr. p	5	92	92	92	92
5¾	4¾	.	...	Potrero Sugar.	200	4¾	5	5	5
18¾	11¾	.	...	Power Corp.	9740	15½	18¾	15¾	18¾
104	97½	6	5.9	Do. pref.	175	102	102	101	102
2½	1½	.	...	Prairie C. Oil.	180	2	2½	2	2½
35	19	1.25	...	Pressed Metals.	2479	30¾	35	30¾	35
10¾	2¾	.	...	Price Bros.	10451	10½	10¾	9½	10
65	22	.	...	Do. pref.	1999	60	65	60	65
				Q					
21	14	1	4.8	Quebec Power.	1190	20	21	19¾	21
4	4	.	...	Que. Telephone	10	..	4	4	4
				R					
40	40	2	5	Real Estate L'n	....	(— bid 50 asked)			
6½	4½	.	...	Regent Knit.	920	5¾	6½	5¾	6
18½	12½	.	...	Do. pref.	755	17½	18	16½	17½
10	4½	.	...	Reliance Grain	60	4½	6	5	6
21½	19½	60c●	...	Remington R'd.	....	(20½ July 21)			
31	28¾	2	6.4	River. S. Mills.	285	30½	31	30½	30½
8	4	.	...	Rogers Majest.	3539	6½	8	5½	7¾
104	95½	6	5.8	Rolland P., pf.	90	101	103	102	102
17	15	25c	...	Root Petroleum	40	15½	15½	15	15
182	164	8	4.5	Royal Bank	110	178	180	176	179
46	30	.	...	Russell Motor	....	(45½ bid — asked)			
116	100	7+1▲	6.2	Do. pref.	....	(112 bid 114 asked)			
				S					
101½	100	5.50	5.4	Saguenay Pr. p.	105	100½	101½	100¾	100¾
11	6	.	...	Sarnia Br. (A)	....	(10½ bid 10 asked)			
3½	1½	.	...	Do. (B)	25	3½	3½	3½	3½
24¾	18¾	60c	2.4	Shawinigan	20612	21¾	24¾	21½	24
21	16	.	...	Sher. Wms.	721	18½	20½	19	20½
127½	115	7	5.6	Do. pref.	10	122	124	124	124
12	9	.	...	Simon & Son	110	9½	9	9	9
93	85	7▲	...	Do. pref.	20	90	92	92	92
95	70	4	4.2	Simpson, Ltd.	802	90	95	89¾	93
15	10	.	...	Do. (A)	110	14¾	14½	14	14½
15	4	.	...	Do. (B)	....	(— bid 12 asked)			
122	111½	6	4.9	Simpson, R., pf.	45	121	122	121	122
14	11	80c	5.9	So. Can. Pr.	1520	12	13½	12	12½
103	98	6	5.8	Do. pref.	81	102	103	102	102½
4½	1½	.	...	St. Law. Corp.	20705	3½	4½	3¾	4½
17½	8	.	...	Do. (A)	15901	14¾	17½	15	17½
60	40	2+1	5	St. Law. Flour.	....	(55 bid — asked)			
130	120	7	5.4	Do. pref.	....	(130 bid 140 asked)			
50¾	20½	.	...	St. Law. Pap. p	7458	46	50½	46	50½
13½	6¾	.	...	Stand. Chem.	105	12½	13½	13	13½
2	2	.	...	Stand. Clay	....	(4 bid 8 asked)			
4.50	1.15	.	...	St. Pav. & Mat.	2431	3.00	4.00	3.00	3.50
27	12	.	...	Do. pref.	25	22	22½	22½	22½
41	20	.	...	Stand. Steel, pf.	....	(37½ bid 39 asked)			
70	57	1.75‡	2.5	Steel of Can.	925	68½	70	68	69½
61½	49½	1.75	2.8	Do. pref.	805	61½	61½	60½	61
4	3	.	...	Sterling Coal	....	(2 bid 3½ asked)			
2½	¼	.	...	Stop & Shop	....	(1½ bid 2 asked)			
2¾	2	.	...	Supersilk H.	....	(2¾ bid 3½ asked)			
79	66	3.50	4.5	Do. pref.	....	(77 bid 79 asked)			
41	30	1	2.6	Sup. Pete. ord.	210	38¾	38½	38	38
43	32	1	2.3	Do. com.	10	41	43	43	43
				T					
63	32¾	.	...	Tamblyn	360	62	63	62	63
114	110	7	6.4	Do. pref.	20	110½	110	110	110
5	1	.	...	Thayers	100	1½	1½	1½	1½
37	18	.	...	Do. pref.	....	(21 bid 27 asked)			
3	1	.	...	Thrift Stores	....	(— bid — asked)			
14	5	.	...	Do. pref.	....	(— bid — asked)			
11	7½	.	...	Tip Top Tailors	100	9	9	7½	9
106	102	7	6.6	Do. pref.	125	105	106	105	106
1	1	.	...	Tooke Bros.	....	(— bid 1 asked)			
22	10	.	...	Do. pref.	....	(— bid 12 asked)			
40	34	1	2.9	Tor. Elevators	25	34	34½	34½	34½
119	109	7	6.2	Do. pref.	35	114	115	112	115
95	75	4	4.8	Tor. Gen. Tr.	130	83	83	82	83
122½	115	6	4.9	Toronto Mtge.	....	(125 bid — asked)			
158	150	7	4.5	Tuckett Tob. p.	165	155	158	157	157
16	8	.	...	Twin City	118	15	16	15½	16
				U					
14¾	9	12½c	..	Union Gas	4046	11¾	12¾	11¾	12½
25	15	30c	...	Un. Amuse. (A)	....	(25 July 10)			
15	15	30c	...	Do. (B)	....	(15 Mar. 27)			
.95	.50	.	...	United Distill.	....	(.70 bid — asked)			
34½	23	.	...	United Fuel, pf.	266	31	31½	30	31
28½	20	2	7.7	United Secs.	....	(— bid 27½ asked)			
5¾	2½	.	...	United Steel	20109	3¾	5¾	3¾	5½
				V					
3½	1	.	...	Viau Biscuit	110	1½	1½	1½	1½
65	18	.	...	Do. pref.	20	50	65	65	65
				W					
31½	20	.	...	Wabasso Cot.	175	25	25	25	25
42¾	28½	2	4.7	Walker-Good.	8653	40	42¾	39¾	42
19	17	1	5.3	Do. pref.	1030	18¾	19	18¾	19
3¾	1¾	.	...	Walkerville Br.	2770	1½	2¾	1¾	2½
2.25	.95	.	...	Waterloo Mfg.	1044	1.00	2.25	1.25	2.25
10½	4½	.	...	West. C. Flour.	770	8½	10½	8	9½
65	36	.	...	Do. pref.	370	58	63	59½	63
60	46½	2	3.3	West. Grocers	2	60	60	60	60
115	106	7	6.2	Do. pref.	....	(112 bid — asked)			
19½	13½	80c	4.1	Weston Ltd.	4815	18¾	19½	18¾	19½
107	98	5	4.8	Do. pref.	440	104	107	104	107
1.15	.75	.	...	Windsor Hotel	....	(.75 bid — asked)			
7	4	.	...	Do. pref.	....	(5 bid 10 asked)			
3¾	1½	.	...	Winnipeg El. A	715	2	2¾	2	2¾
2½	2½	.	...	Do. (B)	115	2½	2½	2¾	2½
53	38	.	...	Wood, A. & J. p	....	(40 bid 50 asked)			
67½	50	.	...	Woods Mfg., pf.	265	65	66	65	66
				Z					
4½	2¾	.	...	Zimmerknit, c.	295	4	4½	3¾	4
76½	60	3.50▲	...	Do. pref.	....	(— bid 90 asked)			

* Quotations for 1935. No sales recorded in 1936 to date.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $1.42½ paid Feb. 1, 1936.
● Plus stock bonus 1% paid Oct. 1.

Government Bonds

October 7, 1936

Dominion of Canada Bonds		Due	Bid Oct. 6	Asked Oct. 6	Approx. Yield	Bid Sept. 30
†‡Dominion	5	1 Mar. 1937	101.25	102.00	...	101.00
‡Dominion	5½	1 Dec. 1937	105.10	105.55	.63	105.50
Dominion	2½	15 Oct. 1939	103.75	104.25	1.10	103.75
Dominion	4	15 Oct. 1939	107.50	108.00	1.30	107.50
Dominion	2	15 Nov. 1939	102.30	102.80	1.08	102.00
Dominion	1½	1 June 1940	100.65	101.15	1.17	100.50
Dominion	4½	1 Sept. 1940	109.50	111.25	1.51	110.00
Dominion	1	15 Mar. 1941	98.25	99.00	1.22	98.25
Dominion	5	15 Nov. 1941	113.25	114.00	2.12	113.50
Dominion	3	15 Oct. 1942	105.75	106.50	1.85	105.50
Dominion	2½	1 June 1943	102.75	103.50	1.93	103.00
Dominion	5	15 Oct. 1943	114.25	115.00	2.64	114.50
Dominion	4½	15 Oct. 1944	112.50	113.50	2.63	113.00
■Dominion	2½	15 Aug. '43-45	100.35	100.85	2.36▲	99.75
Dominion	4	15 Oct. '43-45	109.00	110.00	2.44▲	109.50
Dominion	4½	1 Feb. 1946	112.50	113.50	2.84	113.00
Dominion	3½	15 Oct. '44-49	104.75	105.50	2.73▲	105.25
Dominion	4	15 Oct. '47-52	108.00	109.00	3.06▲	108.75
Dominion	3	1 June '50-55	99.75	100.35	2.97▲	99.75
Dominion	4½	1 Nov. '46-56	111.50	112.25	3.07▲	112.00
Dominion	4½	1 Nov. '47-57	111.50	112.25	3.17▲	112.00
Dominion	4½	1 Nov. '48-58	112.00	112.50	3.23▲	112.25
Dominion	4½	1 Nov. '49-59	112.00	112.75	3.32▲	112.50
■Dominion	3¼	15 Jan. '56-61	102.25	103.00	3.04▲	100.25
Dominion	3¼	1 June '56-66	100.75	101.35	3.16▲	100.50
♦Dominion	3	Perp. bonds	95.75	96.50	3.11	95.75
Dominion Guaranteed Bonds						
*G. T. P. Ry.	3	1 Jan. 1962	99.00	100.50	2.97	100.00
Can. N. Ry.	3	1 May 1944	104.00	105.25	2.24	104.00
Can. N. Ry.	3	15 Dec. '45-50	99.50	101.00	2.87▲	99.25
Can. N. Ry.	3	15 Feb. '48-53	99.00	100.50	2.97▲	99.00
*Can. N. Ry.	4½	1 Sept. 1951	114.00	115.50	3.18	114.25
*Can. N. Ry.	4½	1 Feb. 1956	114.25	115.75	3.39	114.75
†Can. N. Ry.	4½	1 July 1957	113.50	115.00	3.49	114.00
*Can. N. Ry.	4¾	15 June 1955	117.50	119.00	3.39	117.50
Can. N. Ry.	5	1 Feb. 1954	117.50	119.00	3.54	118.50
*Can. N. Ry.	5	1 July 1969	117.50	119.00	2.83▲	117.75
*Can. N. Ry.	5	1 Oct. 1969	119.50	121.00	3.31▲	119.00
*M. Harb. C.	5	1 Nov. 1969	120.00	121.50	3.31▲	120.00
Eastern—Provincial Government Bonds						
N. Bruns.	4	1 Sept. 1954	103.50	104.50	3.65	103.50
†N. Bruns.	4½	15 Apr. 1961	110.00	111.75	3.77	110.00
†N. Bruns.	5	15 Jan. 1960	114.00	116.00	3.95	114.00
N. Scotia	3	2 Sept. 1945	101.00	102.00	2.75	101.00
N. Scotia	4½	15 May 1943	110.00	112.00	2.53	109.00
†N. Scotia	4½	15 Sept. '47-52	110.50	112.50	3.14▲	110.50
†N. Scotia	5	1 Mar. 1960	118.00	120.00	3.69	118.00
*Ontario	4	1 June 1962	107.00	108.50	3.38	107.00
*Ontario	4½	1 Sept. 1944	112.25	113.25	2.65	112.00
Ontario	4½	1 June 1950	111.00	112.50	3.37	112.00
*Ontario	4½	15 Jan. 1962	114.50	116.50	3.52	114.50
Ontario	5	15 Oct. 1948	114.00	115.50	3.46	114.50
*Ontario	5	2 Dec. 1960	121.00	123.00	3.58	121.00
Ontario	5½	1 July 1946	115.50	117.50	3.42	116.00
O. H. C.	3½-4-5	1 Oct. '36-52	100.25	101.25	.58▲	100.00
Ont. Hyd. C.	4¾	1 Jan. 1970	118.50	121.50	3.63	118.50
P. E. I.	3	1 Oct. 1945	100.50	101.50	2.82	100.50
Quebec	4	15 Mar. 1952	108.00	110.00	3.20	108.00
Quebec	4¼	1 Aug. 1958	111.75	113.75	3.36	111.50
Quebec	4½	2 Jan. 1963	113.50	115.50	3.58	113.00
Western—						
Alberta	4	15 Dec. '49-54	55.00	60.00	§	52.00
†Alberta	4	1 Dec., 1957	55.00	60.00	§	52.00
Alberta	4½	1 Oct. 1951	70.00	73.00	§	68.00
†Alberta	4½	1 Oct. 1956	57.00	62.00	§	55.00
†Alberta	5	1 Jan. 1948	57.00	62.00	§	57.00
Alberta	5	1 Sept. 1955	57.00	62.00	§	57.00
*Alberta	5	1 Oct. 1959	57.00	62.00	§	57.00
†Alberta	5½	1 Jan. 1947	57.00	63.00	§	60.00
Alberta	6	1 Mar. 1947	57.00	63.00	§	60.00
†Brit. Col.	4	1 Dec. 1957	86.00	89.00	4.83	87.00
*Brit. Col.	4½	15 Jan. 1951	89.00	92.00	5.29	91.00
†Brit. Col.	4½	1 Oct. 1953	88.00	91.00	5.31	90.00
†Brit. Col.	5	15 Jan. 1948	92.00	94.00	5.72	94.50
Brit. Col.	5	1 Sept. 1953	91.00	93.00	5.64	93.00
Brit. Col.	5½	1 Feb. 1945	92.00	94.00	6.35	94.00
Brit. Col.	6	15 Feb. 1947	93.00	96.00	6.53	96.00
Manitoba	4	2 Jan. 1950	85.00	88.00	5.25	88.00
†Manitoba	4	1 Dec. 1957	85.00	88.00	4.91	88.00
†Manitoba	4½	15 Dec. 1956	94.00	96.00	4.81	94.00
†Manitoba	5	15 June 1954	97.00	99.00	5.08	98.00
*Manitoba	5	2 Dec. 1959	100.00	103.00	4.78	100.00
Manitoba	5½	1 Oct. 1955	97.00	99.00	5.59	97.00
Manitoba	6	1 Apr. 1947	97.50	99.50	6.06	97.50
Sask.	4	15 Aug. 1953	68.00	71.00	6.93	68.00
Sask.	4	1 Nov. '55-60	67.00	70.00	6.80	67.00
*Sask.	4½	2 July 1945	80.00	83.00	7.09	80.00
†Sask.	4½	1 Oct. 1951	77.00	81.00	6.50	79.00
†Sask.	4½	15 Mar. 1960	76.00	79.00	6.55	77.00
Sask.	5	1 Aug. 1958	78.00	80.00	6.75	80.00
†Sask.	5½	15 Nov. 1946	81.00	84.00	7.31	82.00
Sask.	5½	1 Oct. 1952	80.00	83.00	7.20	81.00
Sask.	6	15 Mar. 1952	83.00	86.00	7.55	82.00

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. ♦Callable on or after Sept. 15, 1966. §Traded flat.

Corporation Bonds

Supplied by the Investment Dealers Assoc. of Can.

October 6, 1936

Public Utility Issues:	Int. Rate %	Due	Bid Oct. 6	Asked Oct. 6	Bid Sept. 29
*Ass. Tel. & Tel.	5½	'55	87	90	84½
‡Avalon 'Phone	5½	'48	101½	..	101½
Beauharnois P.	5	'73	48½	51½	47½
*Bell T'phone	5	'55	115	118	115
†B. C. Power	5	'60	105½	108½	105½
†Do.	5½	'60	108½	109½	108½
†B. C. T'phone	4½	'61	105½	108½	105
*Calgary Power	5	'60	92	95	..
†Can. Nor. Pwr.	5	'53	104	107	104½
*Dom. Gas. & El.	6½	'45	90	93	91
*Gatineau Pr.	5	'56	101	104	100
*Do., A	6	'41	93½	101½	97
*Do., B	6	'41	97½	100½	96
*Int'l. Hydro	6	'44	71	74	..
*Int'l. Pwr.	6	'57	97	100	96
†Maclaren-Que.	5½	'61	88	91	87½
†Do.	5½	'64	86	89	85½
†Mtl. Island Pr.	5½	'57	105	103	105
†Mtl. L. H. & Pr.	3½	'56	103	106	103
†Do.	5	'41	102	105	102½
†Do.	5	'55	86	89	85½
Nfld. L. & P.	4½	'56	100	103	100
Nat'l. L. & P.	6	'49	99½	102½	100
†N.S.L. & P.	5	'58	105½	108½	105½
Do.	5	'65	102½	105½	102½
†Ottawa Light	5	'57	106	109	108
†Ottawa Tract.	5½	'55	101½	104½	102
†Ottawa Val. Pr.	5½	'70	71½	74½	69
†Power Corp.	4½	'59	99	102	99
*Quebec Pr.	5	'68	104½	107½	..
Saguenay Pr.	4½	'66	104	107	..
†Shawinigan	4	'61	99	102	99
†Do.	4½	'70	104	107	104
†South. Can. Pr.	5	'55	105	108	105
†United Secs.	5½	'52	85½	88½	85
*Winnipeg Elec.	4½	'60	104	107	104
Do., A	4	'65	76½	79½	76
Do., B	4	'65	65	68	63
Industrial & Realty Issues:					
†Abitibi Pwr.	5	'53	68½	71½	65
Acadia Sugar	4½	'55	101½	104½	102
†Alta. Pac. Gr.	6	'46	94½	97½	94½
Asbestos Corp.	5	'42	108½	111½	108
B. A. Oil	4	'45	103½	106½	103½
Can. Bread	6½	'41	109	112	109
†Can. Cement	4½	'61	101	104	101
†Can. Ss. Lines.	6	'41	58	61	58
Can. Canners	4	'51	100	103	100
Can. Bakeries	6½	'45	93½	..	93½
*Can. Int. Paper	6	'49	96	99	94½
C. P. R.	3½	'51	95½	98½	95½
Do.	4	'49	101	104	101
Do.	4½	'44	100½	103½	101½
Do.	4	perp	94	95½	95½
†Can. Vickers	6	'47	96	99	97
†Cons. Paper	5½	'41	61½	64½	59
Dom. Sq. Corp.	6	'48	..	..	59
‡Dom. S. & C.	6½	'55	68½	71½	65
†Dom. Tar	6	'49	98½	101½	99
Dom. Textile	4½	'55	105½	..	105½
†Donnacona P.	5½	'48	81½	84½	81½
†Fam. Players	4½	'51	99	102	99
†Federal Grain	6	'49	97½	100½	97
†Fraser Cos.	6	'50	103	106	103
†G. Steel Wares	6	'52	104	107	103½
*Gt. Lakes Pap.	5	'55	77½	80½	75½
†Gypsum, Lime	5½	'48	101½	104½	102
†Gr. Br. & Can. Inv.	4½	'59	84½	87½	84
Ham. Cottons	5½	'48	103	106	103
*Ham. B.-P. C.	5	'50	101	104	101
*Hinde & Dauch	5½	'48	103	106	103
†Int. Paper	6	'53	96	99	..
†Int. P. & P., N.	4½	'68	102	105	102
Inter-City W. B.	6½	'50	57	60	51
†Kingston Elev.	6	'50	90	93	89½
†Lake St. John P. & P.	6½	'47	114	117	114
†Do.	6½	'42	86	89	87
†Lon. Can. Inv.	4½	'48	93	96	93
†Maple Leaf M.	5½	'49	77½	80½	75
†Massey Harris	5	'47	90	93	90
†McColl-Front.	6	'49	106	109	106½
†Mercury Mills.	5½	'53	73½	76½	74
†Mersey Paper	6	'49	97	100	97
*M. & O. Paper	6	'45	50	53	46½
Mont. D. Docks	6	'48	87½	90½	88
Nat. Grocers	4	'36-47	102	105	102
†N. Amer. Elev.	6	'50	97½	100½	..
Nor. Ont. Bldg.	6½	'39	95	98	95
*Prov. Paper	5½	'47	102	105	102
Queen's Hotel.	6	'47	96	100	95½
*Reliance Grain	6	'48	102½	105½	103
†Restigouche Co.	6	'48	108	111	108
Rich. B. Bldg.	6½	'47	100½	..	100½
†Rolland Paper	5½	'48	103½	106½	105
Ruddy & Co.	6½	'48	97	100	97
†Smith, Howard	5½	'53	107	110	107
*Spruce F. P&P	5½	'42	98	..	..
†Steel of Can.	6	'40	113	116	113
Sterling Coal	6	'40	87	..	87
Stop & Shop	6	'47	59	..	59
Twin City Rapid Tr'sit	5½	'52	89½	92½	88
United Amuse.	5	'56	100	103	100
United Corp.	5	'53	96½	99½	96
Unit. Grain Gr.	5	'48	96	99	96
Do.	5½	'49	98	101	..
Union Gas	4½	'43-50	99	102	99
Zimmerknit	6	'51	101	..	101

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. *Payable in Can. or U. S.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

October 6, 1936

Industrial Stocks:	Bid	Asked
Acadia Sugar com.	4.50	4.60
Do., pfd.	4.90	5.20
Acme Farmers Dairy pfd.	44.00	...
Andian National	44.75	45.50
Assoc. Tel. & Tel. pfd.	52.00	53.00
B. C. Pulp & Paper pfd.	12.00	14.00
Burns & Co., A	8.00	10.00
Do., B	5.50	6.50
Canada & Dom. Sugar	60.50	61.50
Canada Starch com.	12.00	...
Do., pfd.	92.00	...
Canada Tea pfd.	33.00	...
Can. Tube 1st pfd.	56.00	...
Can. Wire & Cable pfd.	115.00	118.00
Can. Industries A com.	222.00	226.00
Do., B com.	221.00	224.00
Do., pfd.	162.00	164.00
Can. Ingersoll Rand	121.00	130.00
Can. Westinghouse	66.00	...
Chase, A. W., pfd. bonus	26.00	...
Conduits Nat. new com.	2.30	3.00
Dom. Found. & Steel com.	55.00	...
Do., pfd.	95.00	98.00
Dominion Rubber pref.	100.00	...
Dunlop Tire pfd.	84.00	...
Eastern Dairies pfd.	8.25	10.00
City Dairy pfd.	56.00	...
Federal Grain com.	1.25	2.25
Do., pfd.	41.00	48.00
Goderich Elevator	8.00	9.00
Great Lakes Paper pfd.	14.00	...
Greening Wire pfd.	105.00	...
Guelph Carpet pfd.	106.00	107.50
Do., com.	19.00	21.00
Hayes Steel Prod., com.	1.00	...
Highland Dairy com.	2.75	3.75
Do., pfd.	81.00	87.00
Inter City Baking com.	32.00	...
Inter. Met. Indust. A pfd.	58.00	63.00
McLaren Power & Pap. c.	17.00	18.00
N. Meth. Laund. pfd. bonus	80.00	85.00
Provincial Paper pfd.	105.50	108.00
Reliance Grain pfd.	90.00	96.00
Rob. Cons. Cone	9.00	10.00
Ruddy, E. L., pfd.	37.00	40.00
Silverwood's Dairies, pfd.	54.00	...
Standard Fuel, com.	7.50	...
Do., pfd.	105.00	...
Supertest Pet., B pfd.	26.00	27.50
Toronto Carpet, pfd.	40.00	...
United Steel, A pfd.	10.00	12.00
Western Grain, pfd. bonus	...	14.00
Willards Chocolates, pfd.	20.00	26.00
Trust & Loan Stocks:		
Chartered Trust X.D.	82.00	87.00
Guelph Ont. Inv., par $50	47.00	52.50
London & West. Trust	52.00	56.00
Premier Trust	98.00	103.00
Prudential Trust	3.25	...
Sterling Trust	30.00	35.00
Traders Fin. Inc. Rts.	10.00	...
Traders Fin., B pfd. bonus	85.00	...
Trusts & Guarantee	30.00	33.50
Waterloo Trusts	98.00	...
Insurance Stocks:		
British America	50.00	...
Canada Life	520.00	530.00
Canadian Fire	76.00	...
Canadian Ins. Shares	11.00	13.50
Confeder. Life 20% pd.	...	116.00
Continental Life 20% pd.	40.00	44.00
Crown Life	162.00	...
Dominion Fire	125.00	...
Dominion Life 50% pd.	267.00	300.00
Dom. of Can. Gen.	124.00	130.00
Empire Life 25% pd.	7.50	8.75
Excelsior Life 30% pd.	69.00	72.00
Federal Fire 25% pd.	40.00	...
Fidelity Ins. of Can.	47.00	...
Great West Life	382.00	393.00
Guar. of N.A. fully pd.	300.00	...
Halifax Fire	24.00	24.75
Imperial Life	345.00	...
Manufacturers Life	250.00	260.00
Monarch Life 10% pd.	20.50	23.00
National Life 25% pd.	...	48.00
Sovereign Life 25% pd.	17.00	20.00
Sun Life	460.00	475.00
Toronto General	4.50	5.75
Western Assurance, com.	44.50	47.00
Do., pfd.	41.00	45.00
Theatre Stocks:		
Allens Beach, pfd.	65.00	70.00
Do., Kingston, pfd.	64.00	...
Do., parkdale, pfd.	83.00	...
Do., Toronto, pf. bonus c.	31.00	...
Eastern Theatres, pfd.	79.00	85.00
Loew's Buffalo, pfd.	3.10	4.00
Do., London, pfd.	2.20	3.50
Do., Toronto, pfd.	115.00	...
Mansfield Theatre, pfd.	30.50	33.00
Paramount Kitchener, pfd.	47.00	...
Do., Oshawa, pfd.	90.00	96.00
United Amusement, A	19.00	...
Do., B	17.00	...
Investment Trust Shares:		
Can. Gen. Invest.	9.00	9.40
Can. Int. Inv. Trust Units	62.50	65.00
Can. Investors	7.35	7.90
Cons. Div. Std. Sec. Units	14.50	15.50
Corporate Investors	...	7.50
Debenture & Sec., pfd.	65.00	...
Dom. Scott. Invest. Units	39.00	43.00
Foreign Power Sec., pfd.	4.50	6.00
Invest. Foundation Units	57.00	61.00
Sec. Holding Units	24.00	26.00
United Corpns., A	26.00	27.00
Do., B	13.00	14.00
Power Issues:		
Calgary Power, pfd.	70.00	75.00
Can. West. Nat. Gas, pfd.	84.00	87.00
Do., com.	25.00	28.00
Inter. Util., 1.75 pfd.	10.00	11.00
Do., 7.00 pfd.	88.00	92.50
Montreal Island Pwr., pfd.	13.00	...
Nor. Ont. Power, pfd.	102.00	103.50
Nova Scotia L. & P., pfd.	102.00	105.00
Do., com.	89.00	...

Mining Stock Quotations

WEEK ENDED OCTOBER 5

Par Val.	Range 1936 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.13¾	.04	Afton	27,230	.08	.09½	.08	.08½
No	1.07	.95	Aldermac	53,520	1.00	1.03	.96	1.01
1	.10	.01½	Alexandria	38,600	.04½	.04½	.04	.04
No	.12½	.03¾	Algoma	105,580	.08	.10	.07½	.08½
No	7.50	4.10	Anglo-Huronian	1,239	6.50	6.35	6.00	6.00
1	1.75	1.15	Argosy	7,971	1.52	1.52	1.35	1.40
1	1.20	.65	Arntfield	10,200	.95	1.00	.95	.96
No	.12	.03	Arno	3,000	.05	.05½	.05½	.05½
1	.31	.06½	Ashley	16,654	.09¾	.10	.09½	.10
1	.07½	.02½	Astoria Rouyn	114,100	.05¾	.07½	.05½	.06½
1	.11¾	.05½	Bagamac	25,600	.07¾	.08½	.07½	.07½
1	.10	.03½	Barry Hollinger	20,000	.05½	.06	.05½	.05½
1	.42	.14	Base Metals	15,700	.30½	.33½	.32	.32½
1	.69	.28	B. E. A. R.	......	(.66 Sept. 15)			
No	1.84	1.20	Beattie Gold	7,050	1.35	1.40	1.30	1.32
1	.59	.30	Beaufor	38,820	.55	.54	.50	.50
1	2.00	1.37	Bidgood Kirk	32,065	1.45	1.49	1.37	1.45
1	.76	.49½	Big Missouri	9,350	.51	.52	.49½	.54
1	.36½	.13	Bobjo	105,300	.24	.30	.24½	.29
1	.48	.35	Bouscadillac G.M.	28,100	.39	.40	.38	.38
No	8.80	5.55	Bralorne	3,555	8.40	8.80	8.25	8.50
1	.40	.12	Brazil Gold	3,600	.13	.13	.12	.12
1	.14½	.02	Brett Trethewey	24,500	.11½	.12	.10½	.11½
50c.	.25½	.09	B.R.X. Gold	3,000	.13	.13½	.12	.13½
1	.16	.08	Brownlee	7,200	.10	.10	.08	.09
1	9.50	3.80	Buffalo Ankerite	8,670	8.20	9.50	8.10	9.10
No	.13	.02	Buffalo Can.	14,500	.04	.04½	.04	.04½
5	37.00	27.50	Bulolo Gold	240	28.50	29.00	28.00	29.00
No	.18	.06	Bunker Hill	19,240	.12½	.14	.12	.14
No	1.50	.95½	Can. Malartic	26,160	1.29	1.36	1.29	1.35
1	2.10	1.15	Cariboo Gold	530	1.89	1.89	1.85	1.89
1	.30	.02	Cartier Malatic	112,750	.24	.27	.23	.23
1	1.69	1.24	Castle Trethewey	11,100	1.36	1.38	1.31	1.31
1	.58	.11½	Cen. Manitoba	47,150	.25	.31	.25	.28
1	4.90	2.41	Cen. Patricia	21,420	4.05	4.10	3.95	4.00
1	.59	.33	Cen. Porcupine	55,814	.37½	.42	.36	.40
No	2.46	1.63	Chromium	11,890	1.85	2.00	1.85	1.94
No	.09¾	.03½	Church M. & Mill.	8,500	.04½	.04½	.04	.04
No	.14	.03	Clericy	27,725	.06½	.07	.06	.06
5	4.50	2.25	Coast Copper	......	(2.60 bid 3.10 asked)			
1	.04	.01½	Cobalt Contact	16,000	.02	.02½	.02	.02½
5	4.25	2.80	Coniagas	175	3.25	3.50	3.25	3.25
No	2.75	1.80	Coniaurum	3,650	1.90	1.90	1.82	1.90
1	2.30	1.10	Con. Chibougamau	34,235	1.55	1.76	1.50	1.66
25	60.50	51.00	Cons. Smelters	5,557	58.75	59.75	58.50	59.50
	1.40	1.10	Darkwater	11,700	1.15	1.35	1.23	1.27
No	61.25	41.75	Dome Mines	887	56.00	56.75	56.00	56.00
1	.09½	.04	Dom. Explorers	6,875	.06½	.08	.06½	.07
1	.10½	.04	Duparquet	19,500	.05½	.05½	.05	.05
1	1.17	.52	East Malartic	394,405	.76	1.17	.75	1.15
1	1.47	.80	Eldorado	47,445	1.32	1.42	1.31	1.32
No	10.75	6.90	Falconbridge	11,065	9.80	10.50	9.60	10.25
1	.10	.03	Federal	15,400	.06	.06½	.05½	.06
No	2.24	.10	Francoeur Gold	181,331	1.13½	1.35	1.06	1.20
1	.41	.30	Glenora	113,825	.30	.35	.30	.32
No	1.45	.75	God's Lake	19,423	.90½	.94	.87	.87
1	.49	.14½	Goldale	40,400	.31½	.35	.31	.33
50c.	.54	.16	Gold Belt	200	.18	.23	.21	.23
1	.26½	.06	Goodfish	13,250	.11	.11	.08	.09½
1	.24	.03	Graham Bosquet	10,800	.15	.18	.15	.16
1	.40	.17	Granada Gold	12,187	.30	.35	.28½	.29
No	.15	.05¾	Grandora	9,400	.08½	.08½	.07½	.08
1	.93	.21	Greene Stabell	84,180	.59	.61	.56	.57
1	.09	.04	Grozelle	......	(.05 bid .06½ asked)			
1	.16	.08	Grull Wihksne	5,900	.13½	.15	.13	.14½
1	1.20	.75	Gunnar Gold	58,585	.95	1.09	.96	1.05
1	.10½	.02	Halcrow Swayze	3,700	.04	.04½	.04	.04
1	3.63	.30	Hard Rock	89,095	2.45	2.90	2.50	2.70
1	.26	.07	Harker	37,950	.16	.18	.16	.17
5	17.25	13.37	Hollinger	9,725	14.37	14.25	13.37	13.50
1	1.00	.55	Howey Gold	29,315	.77	.78	.71	.72
No	30.37	22.87	Hudson Bay	14,005	27.50	30.37	27.00	29.75
1	14.25	11.00	Inter. Mining	......	(11.50 Aug. 8)			
1	4.50	3.20	Do., Pur. Warr.	......	(3.20 July 31)			
No	62.75	43.50	Int. Nickel	34,784	60.75	62.75	60.37	62.50
1	.80½	.28½	J. M. Cons. Gold	38,320	.56	.58	.53	.53
1	.75	.40	Kerr Lake	300	.63	.64	.63	.64
1	1.75	.30	Kirk. Hud. Bay	4,625	1.10	1.15	1.08	1.10
1	.94	.40	Kirkland Lake	24,260	.57	.57	.54	.54
1	.12	.03½	Kirk. Premier	......	(.08½ Aug. 11)			
1	.31	.14½	Kirk. Townsite	4,000	.20	.21	.19	.20
1	.88	.55	Laguna	13,400	.80	.82½	.80	.80
No	.21	.03	Lake Maron	143,200	.12½	.12	.10	.10½
1	60.00	51.75	Lake Shore	4,864	55.75	56.25	55.00	55.75
1	.47	.05	Lamaque Contact	85,850	.18	.19½	.17	.18
1	1.38	.70	Lava Cap	28,800	.98	.98	.80	.90
1	.29½	.12	Lebel Oro	334,313	.22½	.29	.21	.26
1	.15	.02½	Lee Gold	45,500	.07	.07½	.06	.06
No	7.75	5.70	Little Long Lac	7,700	6.20	6.25	5.90	6.20
1	4.95	3.12	Macassa	8,375	4.30	4.40	4.25	4.25
1	.07	.01¾	Malrobic	53,300	.04¾	.04½	.03½	.04
No	.42	.12	Mandy	2,100	.25½	.27	.26	.26½
No	.30	.05½	Man. & Eastern	95,120	.13	.16½	.13	.15½
1	.30	.05½	Maple Leaf	6,850	.24	.24	.23	.23
1	.60	.35	May Spiers	56,700	.51	.53	.45	.52
5	49.25	38.75	McIntyre	5,549	40.00	40.50	38.75	39.00
1	2.24	1.22	McKenzie R.L.	34,930	1.70	1.78	1.66	1.68
1	.65	.45	McKinley	375	.63	.63	.63	.63
No	5.05	3.40	McLeod Cockshutt	37,090	4.45	4.60	4.15	4.20
1	.15	.02	McMillan	72,700	.07	.07½	.05½	.05½
No	1.78	1.16	McWatters	29,850	1.18	1.27	1.20	1.20
1	.42	.19	McVittie	10,250	.21	.21	.20	.20
5	2.50	.50	Mentor Exp. & Dev.	......	(1.50 bid 2.50 asked)			
No	2.75	1.10	Mining Corp.	43,265	2.45	2.68	2.46	2.54
No	1.00	.07½	Minto Mines	4,900	.31	.33	.30	.33
1	.16½	.06	Moffatt Hall	10,947	.10	.10	.09	.09
1	.80	.51	Morris Kirk	19,200	.64	.70	.62	.70
1	1.12	.06½	Moneta	481,310	.55	.94	.54	.94
1	2.05	.95	Montague	2,630	1.05	1.10	1.00	1.00
1	.09	.00½	Murphy	159,550	.05½	.06½	.05	.05½
No	.06	.02	Newbec	35,600	.03½	.05½	.03½	.03½
1	1.40	1.00	New Golden Rose	5,765	1.14	1.30	1.15	1.25
1	.06½	.01½	Night Hawk Penn.	53,000	.03½	.04¾	.03½	.03½
5	3.05	2.30	Nipissing	3,955	2.41	2.50	2.40	2.50
No	66.25	44.50	Noranda	11,597	65.50	65.75	63.75	65.00
No	.63	.28½	Nor. Canada	2,550	.51½	.55	.51	.53
1	.18	.11	Norgold	11,700	.11	.14	.11½	.14
1	7.00	.34	O'Brien	110,780	5.30	6.50	5.25	6.25
1	.85	.40	Omega	15,816	.59	.62	.60	.61
1	.18	.07	Osisko	500	.13	.13	.13	.13
No	5.20	3.25	Pamour	24,303	3.60	3.55	3.25	3.35
1	.48	.18	Parkhill	81,525	.27	.34	.28	.28
1	.11	.02½	Pawnee Kirk	16,300	.04	.04	.03½	.03½
1	1.20	.50½	Paymaster	179,271	1.02	1.15	1.02	1.07
1	1.20	.65	Pend Oreille	1,950	.90	.90	.80	.80
1	1.95	1.12	Perron Gold	12,915	1.70	1.75	1.68	1.71
1	.04¾	.02	Peterson Cobalt	5,500	.02½	.02½	.02½	.02½
1	7.60	3.95	Pickle Crow	8,786	6.40	6.75	6.40	6.50
1	12.00	7.25	Pioneer Gold B.C.	11,060	7.55	7.85	7.50	7.85
1	.15	.04	Porcupine Crown	44,437	.09½	.12	.09	.12
..	1.10	1.03	Powell Rouyn	18,450	.....	1.10	1.03	1.07
1	3.56	1.80	Premier Gold	14,085	3.15	3.45	3.11	3.18
1	2.25	.21	Preston E. Dome	60,289	1.34	1.45	1.35	1.40
No	3.25	1.90	Prospectors Air's	600	1.90	1.85	1.75	1.75
1	1.40	.64½	Quebec Gold	4,200	.70	.75	.64½	.75
No	.10	.02	Quemont	50	.10	.05	.05	.05
1	4.35	1.43	Read Authier	10,117	3.90	3.85	3.60	3.70
1	2.55	.50	Red Lake	49,790	2.06	2.18	2.02	2.02
1	1.46	1.00	Reno Gold	23,200	1.43	1.43	1.35	1.37
1	.13½	.01	Ritchie	56,900	.07	.06½	.05½	.06½
1	.09	.04	Robb Montbray	27,550	.06	.07½	.06	.06
1	.76	.05½	Roche Long Lac	158,950	.20	.33	.19	.32
1	3.45	1.60	San Antonio	19,604	1.75	1.84	1.70	1.70
1	1.16	.75	Shawkey	55,682	.92	.95	.88	.89
50c.	.96½	.56	Sheep Creek	5,800	.95	.96½	.92	.92
1	1.90	1.00	Sherritt Gordon	30,101	1.65	1.75	1.60	1.71
1	5.10	2.87	Siscoe	36,265	4.55	4.60	4.30	4.40
1	1.30	.42½	Sladen Malartic	91,530	1.10	1.18	1.10	1.10
1	6.25	4.40	South Amer. Gold	......	(5.05 Sept. 24)			
No	.08½	.03½	South Tiblemont	15,180	.04	.04½	.04	.04½
No	.75	.18½	Stadacona	70,285	.66	.66	.63	.64
1	.38½	.15	St. Anthony	91,410	.17	.23	.15	.21½
No	5.40	3.00	Sudbury Basin	9,330	5.25	5.40	5.15	5.40
1	.34	.06	Sudbury Contact	169,750	.30½	.32	.26	.28
1	.07½	.03	Sudbury Mines	15,500	.03½	.03½	.03½	.03½
1	2.50	.83	Sullivan Cons.	50,193	2.00	2.06	1.90	1.95
1	3.55	2.25	Sylvanite	17,758	3.05	3.15	3.00	3.10
1	.68	.28	Tashota	14,900	.32	.31½	.28	.28
1	6.70	4.30	Teck Hughes	17,168	5.90	6.00	5.75	5.85
1	1.50	.37½	Thomp. Cadillac	138,156	.90	1.05	.90	.97½
1	.27	.02	Timiskaming	24,600	.16	.21	.16½	.19
1	4.45	1.20	Toburn Gold	62,864	3.33	4.45	3.35	3.70
1	1.17	.20	Towagmac	28,350	.80	.90	.78	.81½
1	.40	.20	Treadwell	......	(.35 bid ..... asked)			
No	2.52	1.60	Ventures	27,610	2.33	2.40	2.30	2.39
No	1.85	1.00	Waite Amulet	5,109	1.67	1.75	1.65	1.74
50c.	.21	.09	Wayside	30,300	.10	.10½	.10	.10½
No	.06	.03	White Eagle	14,900	.03½	.04	.03½	.03½
1	.10	.03	Wiltsey Coghlan	16,600	.07½	.07	.06½	.06½
1	.09	.04	Wood Kirkland	2,000	.07½	.08	.07½	.07½
No	9.00	7.55	Wright-Hargreaves	16,315	7.95	7.95	7.75	7.75
No	.71	.38	Ymir Girl	59,600	.44	.46	.41	.45
			OIL STOCKS					
No	.18	.09½	Acme Gas & Oil	4,200	.10	.10½	.10	.10
1	.70	.40	Ajax	2,800	.41	.41	.40	.40
No	1.60	.70	Calgary & Ed.	5,650	1.30	1.40	1.25	1.36
1	.18	.05	Calmont	6,802	.15	.15	.13	.15
No	.10½	.04½	Common Pete	2,900	.05½	.05½	.05½	.05½
No	.78	.36	Dalhousie	3,490	.53	.57	.50	.57
No	.13½	.06	Eastcrest	400	.07½	.07	.07	.07
No	.70½	.30	Foothills	10	.30	.30	.30	.30
No	.31	.12	High Sarcee	......	(.10 bid .12 asked)			
No	1.46	.70	Home	1,845	.94	.95	.90	.90
1	.81	.11	Homestead O. & G.	17,700	.31	.38	.33	.37
No	.17	.07	Lowery	500	.09	.09	.09	.09
No	.24	.10	Merland	3,000	.12	.12	.12	.12
5	.26	.10	Nordon	2,000	.11	.11½	.11	.11½
No	.07	.03	Oil Selections	1,500	.04½	.04½	.04½	.04½
No	.15	.06	Olga Gas & Oil	22,520	.06½	.06½	.06	.06
1	.75	.52	Petrol Oil & Gas	100	.70	.75	.75	.75
No	39.50	26.00	Royalite	1,300	27.00	27.00	26.00	27.00
No	.25	.04	South West Pete.	......	(.15 bid .25 asked)			
No	2.50	1.45	Texas Can.	6,580	1.58	1.80	1.60	1.78

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1936 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.09	.01½	Alexandria Gold	......	(..... bid .05 asked)			
25c.	.01	.00½	Bayview	......	(..... bid .00½ asked)			
20c.	.05	.01½	Beaver Silver	500	.02	.02	.02	.02
1	.76	.50	Big Missouri	5,450	.51½	.51	.50	.50½
25c.	.01½	.01	Bluebird	......	(.01 May 12)			
No	8.75	5.60	Bralorne	7,352	8.50	8.75	8.30	8.60
1	.10	.03	Bridge River Cons.	2,200	.05½	.05½	.05½	.05½
50c.	.25½	.08½	B.R.X. Gold	5,350	.14½	.13½	.12½	.12½
50c.	.18	.09	B. R. Mountain Gold	.....	(.10 bid ..... asked)			
1	.54	.17½	B. C. Nickel	39,300	.38	.42	.37½	.41
1	2.95	1.50	B. C. Silver	2,700	2.45	2.70	2.45	2.65
50c.	.12½	.04	Canadian Rand	7,000	.06	.05½	.05	.05
1	2.05	1.15	Cariboo Gold	2,700	1.90	1.90	1.85	1.88
1	.30	.09	Congress Gold	7,200	.09½	.09½	.09	.09
25c.	.00½	.00½	Cork Province	......	(..... bid .00½ asked)			
1	.04	.02	Cotton Belt	......	(.02 June 24)			
1	.03½	.01	Dalhousie Mines	1,000	.01½	.01½	.01½	.01½
No	.36	.14	Dentonia	9,650	.15	.14½	.14	.14
No	.08½	.01½	Dictator	3,000	.03	.03	.03	.03
1	.07	.02	Dunwell	3,620	.03	.03½	.03½	.03½
No	.09½	.03	Fairview Amal.	35,814	.08½	.08½	.07½	.08½
50c.	.80	.35	Fawn Mining	4,700	.70	.70	.70	.70
1	.18½	.03½	Federal Gold	8,700	.05	.05	.04½	.04½
1	.25	.15	George Copper	......	(.20 bid .25 asked)			
50c.	.05½	.02½	George Enterprise	......	(.02½ bid .04 asked)			
1	.02½	.01	Georgia River	4,000	.01½	.01½	.01½	.01½
50c.	.02½	.01	Glacier Creek	......	(.01 bid ..... asked)			
1	.24	.09	Golconda	1,300	.10	.10	.10	.10
50c.	.54	.18	Gold Belt	5,400	.20	.20	.19	.19
50c.	.18	.05	Gold Mountain	34,300	.12½	.14	.12	.14
50c.	.04½	.02	Grandview	4,000	.02½	.02½	.02½	.02½
No	.07½	.01½	Grange Mines	6,500	.02	.02½	.02	.02
1	.15½	.07	Grull Wihksne	33,350	.13	.14½	.13	.13½
No	.05½	.01½	Haida Gold	......	(..... bid .01½ asked)			
50c.	.32	.15	Hedley Amal.	28,150	.19	.19½	.18	.19½
No	.05	.03	Hedley Sterling	......	(..... bid .03 asked)			
No	.08	.02	Home Gold	6,000	.03½	.03½	.03½	.03½
1	.02	.00½	Independence	......	(.00½ bid ..... asked)			
1	.03	.01½	Indian Mines	500	.01½	.01½	.01½	.01½
50c.	1.85	.95	Island Mountain	11,800	1.15	1.31	1.06	1.25
1	.21	.18	Inter'tl Coal	8,000	.21	.21	.21	.21
50c.	.10½	.05½	Inter'tl Gold	50,500	.08	.09½	.08	.09
50c.	.92	.30	Kootenay Belle	9,200	.88	.92	.88	.92
20c.	.00¾	.00½	Koot. Florence	......	(.00½ bid .00¾ asked)			
25c.	.00½	.00½	Kootenay King	......	(.00½ Aug. 25)			
25c.	.00½	.00½	Lakeview	......	(.00½ May 14)			
10c.	.02½	.01	Lucky Jim	......	(.01 bid .02 asked)			
No	.14½	.02½	Mak Siccar	......	(.02 bid ..... asked)			
50c.	.00½	.00½	Marmot Metals	20,600	.00½	.00½	.00½	.00½
1	.20	.12	McGillivray Creek	......	(.18 bid ..... asked)			
50c.	.14½	.03	Meridian Min.	8,000	.04	.04	.03	.03
No	.94	.07	Minto Mines	82,500	.31	.34	.28½	.31
No	.05	.01½	Morning Star	31,000	.02½	.03	.02½	.02½
1	.01	.00½	Morton Woolsey	......	(.00½ bid ..... asked)			
25c.	.03½	.02	National Silver	19,500	.03½	.03½	.02½	.02½
50c.	.22½	.07½	Nicola	43,150	.15½	.15½	.15	.15½
50c.	.05½	.02	Noble Five	6,000	.02	.02½	.02½	.02½
1	1.20	.65	Pend Oreille	500	.85	.85	.85	.85
No	.09	.02	Pilot Gold	16,000	.05	.05½	.04½	.05
1	11.85	7.35	Pioneer Gold	4,180	7.60	7.80	7.60	7.80
50c.	.07	.04	Porter Idaho	......	(.04 bid .05 asked)			
No	.01½	.00½	Premier Border	4,000	.01	.01½	.01	.01½
1	3.52	1.80	Premier Gold	11,315	3.18	3.40	3.15	3.20
1	.02	.01	Quatsino Copper	......	(.01½ bid .02 asked)			
25c.	.13½	.05	Queenelle Quartz	2,700	.09	.09½	.09	.09½
50c.	.05	.04	Red Hawk	......	(..... bid .04 asked)			
1	.09½	.04	Reliance	70,700	.04½	.04½	.04	.04½
1	.50	.26	Relief Arlington	8,800	.40	.43	.41	.41
No	.12	.05	Reeves McDonald	60	.07	.05	.05	.05
1	1.50	1.00	Reno Gold	10,700	1.40	1.39	1.34	1.35
1	.15	.02	Reward Mining	22,200	.07	.07½	.06½	.06½
1	.02	.00½	Rufus Argenta	3,500	.01½	.01½	.01½	.01½
1	.03	.01	Ruth Hope	......	(.01½ July 15)			
1	.15	.07	Sally Mines	......	(.09½ bid .10 asked)			
50c.	.13½	.08	Salmon Gold	22,000	.09½	.10½	.08½	.10½
50c.	.95	.55	Sheep Creek	4,850	.95	.95	.91	.91
1	.02½	.02	Silverado	......	(.02½ bid ..... asked)			
25c.	.08	.08	Silvercrest	......	(..... bid .04 asked)			
20c.	.02½	.01	Silversmith	......	(.00½ bid .01½ asked)			
50c.	.00½	.00½	Snowflake	......	(.00½ bid ..... asked)			
1	.54	.37	Standard Silver	1,500	.42	.42	.42	.42
10	24.25	16.50	Sunshine	......	(16.50 bid 17.50 asked)			
No	.24	.07½	Taylor Bridge	2,300	.10½	.11	.10	.10
1	.21	.07	Taylor Windfall	......	(..... bid .15 asked)			
50c.	.04½	.01½	United Empire	4,000	.03	.03	.03	.03
No	1.88	.65	Vidette Gold	13,335	1.42	1.55	1.35	1.52
No	.08½	.00½	Viking Gold	12,000	.01½	.01½	.01½	.01½
No	.06½	.01	Waterloo Gold	......	(.01½ bid .02 asked)			
50c.	.01½	.00½	Waverley Tangier	......	(.00½ bid .00¾ asked)			
50c.	.20½	.09½	Wayside	19,800	.10½	.10½	.10½	.10½
20c.	.01½	.01	Wellington	......	(.00½ bid .01 asked)			
50c.	.28	.19	Wesko	10,200	.27½	.27½	.26½	.26½
1	.06½	.02½	Whitewater	......	(..... bid .04 asked)			
No	.69	.40	Ymir Yankee Girl	1,000	.43	.45	.41	.45
			OIL STOCKS					
1	.21	.09	Alta. Pac. Cons.	1,635	.12	.12	.10	.10
1	.15	.04	Amalgamated	19,100	.11½	.13	.10	.12½
1	.09	.02½	Anaconda	1,000	.04½	.04½	.04½	.04½
No	.05	.02	Baltac	......	(.02½ bid ..... asked)			
1	.43	.09½	Brit. Dominion	2,450	.14½	.18	.15	.18
No	1.60	.70	Calgary & Ed.	2,035	1.30	1.40	1.27	1.36
1	.18	.05	Calmont	7,840	.15½	.16	.15½	.15½
1	.15	.05	Crow's Nest	24,400	.11½	.13	.08½	.12½
No	.78	.36	Dalhousie	1,395	.53	.55	.52	.55
No	.05½	.02	Devenish	700	.03	.02	.02	.02
No	.12½	.04½	Freehold	2,750	.07½	.07½	.06½	.06½
No	.11	.04	Hargal	1,000	.09½	.10	.10	.10
No	.38	.09½	High Sarcee	3,700	.11	.11½	.10	.10
No	1.46	.70	Home Oil	5,500	.95	.94	.90	.90
No	.03	.01	Madison	2,800	.02	.02½	.02	.02
No	.20	.11½	Marjon Oil	8,700	.14½	.18	.15	.18
No	.14½	.05	McD. Segur Ex.	5,500	.08½	.08	.08	.08
1	.40	.20	McLeod	800	.25	.25	.25	.25
No	.18½	.10½	Mercury	8,650	.10½	.10½	.10½	.10½
No	.24	.09	Merland	4,300	.09	.10	.09½	.09½
No	.15	.03	Mill City Pete	700	.10	.11	.10	.11
1	.29	.20	Model	1,500	.22	.25	.23	.24
5	.23	.10	Nordon	7,500	.11	.12½	.11	.11½
No	.25	.04	Okalta	15,105	.19½	.21½	.19½	.21½
No	.09½	.04½	Pacalta Oil	2,000	.05½	.05	.04½	.04½
1	.83	.34	Ranchmen's	1,200	.45	.43	.43	.43
No	39.50	26.25	Royalite	79	27.50	27.00	26.75	27.00
1	.27	.09	Spooner	......	(.12 bid ..... asked)			
No	.09½	.05	United	1,500	.05	.05½	.05½	.05½
No	.10½	.04½	Vanalta	4,600	.05½	.05½	.04½	.04½
1	.65	.10	Vulcan	1,512	.60	.59	.58	.59
1	.08½	.07	Wellington Oil	......	(.08½ June 28)			

Unlisted Mines

October 6, 1936

	Bid	Asked
Adanac Que.	.33	.37
Albany River	.67	.69
Algold	.42	.44
Ardeen	.18	.20
Area	.04	.05
Arrow Head	.39	.42
Algoma Summit	1.55	1.65
Athona	.31	.33
Bathurst (new)	.04	.05
Bailor	.04½	.05¼
Bankfield Gold	.68	.71
Bankfield (new)	1.02	1.05
Blue Star	.28	.30
Bousquet Gold	.09	.10
Brae Breest	.30	.32
Brengold	.17	.18
Callinan Flin Flon	.09	.11
Canadian Pandora	.12	.13
Candalaca	.21	.23
Canusa (new)	.75	.80
Coin Lake	.28	.30
Columario (new)	.01	.02
Cuniptau	.21	.23
Casey Contact	.03	.04
Continental Kirk.	.20	.22
Casey Summit	.24	.27
Cres. Kirkland	.39	.41
Darwin	.39	.42
Don Martic	.19	.21
Dunlop (new)	.14	.15
Dorval Siscoe	.50	.53
Doreva	.37	.40
Dupont Hodgson	.18	.20
Elmos	.27	.30
Empress Cons.	.52	.54
Empire	..	.24
Franklin	.02½	.03
Falkenham	.38	.41
Frontier R. Lake	.20½	.22
Galateas	.08½	.09
Garnet	.13½	.14
Gateway Pat.	.16	.19
Gillies Lake	.33	.35
Gold Eagle	.90	.93
Goldside	.16	.18
Golden Gate	.38	.40
Gordon Lebel	.26	.29
Gilbec	.04	.05
Horseshoe	.05½	.06
Hudson Patricia	.15	.16
Hugh Pam.	..	.36
Jellicoe	.23	.25
Johnson Nipigon	.05	.08
Kaw Crow	.20	.24
Kenricia	.50	.52
Kerr Addison	.16	.18
Kert McDonald	.34	.38
King Kirkland	.04½	.05½
Lamaque	7.75	7.78
Lafayette	.05½	.06½
Lapa Cadillac	.64	.66
Leitch Gold	.71	.74
Lake Rose	.50	.53
McFarlane	.06	.06½
Manitoba Basin (new)	.04	.05
Margaret	.35	.37
Madsen Red L.	1.08	1.10
Magnet Lake	.10	.12
Martin McNeely	.10	.11
Matachewan Can.	.18	.21
McAndrew	.22	.25
McCarthy Webb	.49	.51
Mosher	.58	.60
Moffatt Hall (new)	.20	.22
Murmac	.10	.11
Martin Bird	.30	.33
Mooshla	.35	.38
Monarch Mines	..	.47
Mid-Kirk	.27	.29
North Shores	.05	.06
Old Diamond	.19	.21
Oklend	.31	.33
O'Leary	.16	.16½
Opemiska Cap.	.90	.90
Oriole	.05	.05½
Oremond	.25	.28
Ossian	.07	.08
Otisse L-L Units	9.00	12.00
Paulore	.28	.30
Porcupine Gold R.	.02	.03
Porcupine Lake	..	.35
Pascalis	.30	.33
Porquin	.21	.25
Red Crest	..	.62
Richard Ramore	.94	.96
Richmac	.33	.35
Roeanor	..	.18
Rubec	.12	.12½
Salmo Malartic	.17	.19
Sand River	..	.40
Schreiber	.16½	.18
Skookum	.25	.26
Smelter Gold	.07	.09

UNLISTED MINES—(Continued)

South Keora	.11	.13
Spooner	.24	.27
Springer	.10	.12
Sturgeon R. Gold	.29	.31
South McKenzie	.34	.35
Tonawanda	.13½	.14½
Upper Can.	.25	.27
Wendigo	.16	.18
West-Side	.09	.11
W. Red Lake	.14	.16
White Horse	.16	.19
Winoga	.43	.45
Young Davidson	.17	.19
Young Shannon	.17	.20

Winnipeg Stocks

(Transactions from Sept. 28 to Oct. 3)

	Sales	High for period	Low for period	Close Oct. 3
B. & M. Synd.	54	5	4½	5
Clover Units	2	10	10	10
Frontier	400	.18½	.13	.18
Flin Flon	1,500	.25	.22	.25
Geneva	40	.75	.75	.75
Gold Lake	9,438	.17½	.15	.15½
Gurney Gold	1,710	.40	.39	.40
Gt. Falls M.&S.	12,500	.10	.09	.09
Herb Lake	1,200	.16	.12	.12
Home Invest.	10	20	20	20
Island Lake	1,200	.04½	.04	.04
Knee Lake	1,000	.04½	.04½	.04½
McLaren Porc.	1,000	.33	.33	.33
Monarch Life	15	21½	21	21½
Optic Lake	115	1	1	1
Ore Grande	26,100	.25	.17	.24
Packsack	600	.22	.20	.22
Pine Lake	2,000	.10	.10	.10
Reliance Grain	35	90	90	90
Scotch Creek	125	1½	1½	1½
Sachigo River	140	21	20	21
Do., rights	25	6½	6½	6½
United Grain	75	12	11	12
Vanson Man.	5,000	.03	.02½	.02½
Wingold	8,150	.05	.04½	.04½
Wylie Dom.	800	.43	.40	.43
Wpg. River Tin	12,700	.01	.01	.01
Wings Ltd.	16,844	1¾	1½	1¾

Stocks Not Traded in During Week*

	Bid	Ask.
Beaver Fire Ins.	..	100
Can. Indemnity	135	..
Comm. Securities	..	10
Dom. Envelope, com.	..	11
Do., pfd.	93	..
Northern Trust	..	7
Traders Bldg.	80	..

* Stocks more active on other exchanges not included.

Municipal Bonds

	Rate	Date	Bid	Ask.	Yld.
†Halifax	5	1961	114.00	116.00	3.98
Hamilton	5	1950	111.50	113.50	3.75
Montreal	5	1945	103.25	105.25	4.23
Ottawa	4½	1945	111.00	113.00	2.79
†Quebec	5	1959	107.00	109.00	4.33
Saint John	5	1960	107.00	109.00	4.07
†Toronto	4½	1955	114.00	116.50	3.30
†Vancouver	5	1950	85.00	90.00	6.10
Winnipeg	5	1944	97.00	100.00	5.00

†Payable Can. and N.Y.

Listed Bonds

Week Ended Oct. 5, 1936

	Int. rate	Due	High	Low	Range 1936 High	Low
Mtl. L H. & P. Debs	3	'39	50½	50¾	51½	50
McNish	6	'48	4.00	3.75	4.00	3.00
Mtl. Trams., A, B, D	5	'55	83½	..	86½	85
Unlisted:						
Cons. Paper	5½	'61	58	57	58	30½

k in Wheat

onetary Disturbances old Wheat Mart Down

ous Holders Begin Selling — Liverpool Advance Offsets Weakness in Sterling — U. S. Still Buying

From Our Own Correspondent

WINNIPEG.—In the face of adverse factors arising out of the currency ation the wheat market has been displaying satisfactory strength. ntinental business has been difficult to work against monetary uncer- nties. Until cleared up little real advantage can be taken of recent alian tariff concessions, even assuming that these will be accompanied y new and more favorable quota arrangements.

There has been a considerable amount of selling by former holders neasy about possible developments. But this has been well absorbed by actual demand from the British market. A decline in sterling to a new low level for the present movement has been compensated by an advance in Liverpool wheat rather than by a decline in Winnipeg as might have been expected.

Heavy movement of wheat down the lakes is now in progress together with continued shipments to Duluth, of both durum and northern grades for Minneapolis mills. Although Chicago prices have not kept pace with either Winnipeg or Liverpool, and some lessening of United States demand for Canadian wheat has been felt, millers south of the line are still accumulating supplies for later use.

Liverpool is now trading in new crop Argentine wheat on a speculative basis at prices considerably below current quotations for Canadian wheat, and it would seem that the spread must narrow during coming months. But part of the differential is due to the fact that cash wheat in Liverpool is at a premium over forward positions. This is a reflection of an opinion that southern hemisphere crops may yet be fairly large. Reports of damage in Argentina are discounted, but Australian reports now claim that the coming crop is bound to be only moderate and perhaps 10 million bushels less than last year.

Margin Is Narrow

THE world will have to dip again into surplus wheat stocks this winter. Stanford University in its current "Wheat Studies" estimates total production at nearly 300 millions less than a year ago, and even in 1935 there was not sufficient produced to go round. Margin between total production, plus carryover and total consumption, the Food Institute of the California university believes, will be the narrowest in over a decade.

Because of this narrow margin, observers are waching closely the 2 remaining export areas this season, Australia and Argentina. Moderate crops in these areas will mean a continuance, they say, of the present firm market. Damage would mean sharply higher prices, and unusually good yields might result in a slight recession.

However, Australia at least is believed out of the running so far as bumper prospects are concerned. The best that is hoped for is a moderate yield of about 130 millions. With early moisture another 20 to 30 millions could be produced, but the time is almost passed when benefit from this source would be possible. In the Argentine, on the other hand, recent heavy rains are reported as beneficial.

* * *

More Ontario Wheat

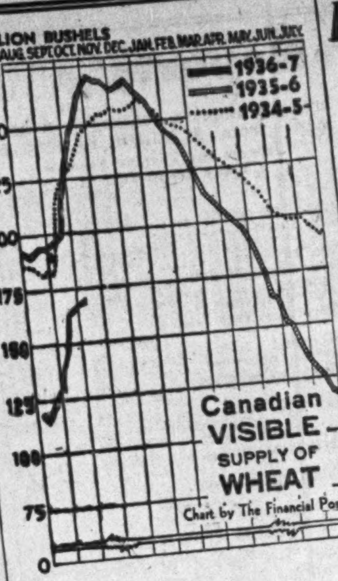
A LARGER acreage of fall wheat is being seeded in Ontario this autumn under most favorable conditions. The yield of such wheat harvested this year is now estimated at approximately 12 million bushels or slightly under the yield of a year ago. But in both yield and acreage Ontario fall wheat in recent years has been running approximately 50% behind normal. It is possible some of the former acreage may be regained this fall. Better weather and rising prices are always a factor in this respect. Last fall the acreage was estimated at slightly over 500,000.

* * *

Wheat Board Policy

OVER 9 million bushels of wheat were delivered on the October contract on the first day of October, and the greater part of these deliveries went, it is believed, to the Canadian Wheat Board. That puts the wheat board back into the business of handling cash wheat, against the fact that for weeks past it is believed to have had no cash wheat in any position. All cash holdings, it was thought, had been disposed of, with the board's holdings carried exclusively in the futures markets.

The change was quite in accordance with general expectations. It has been widely believed that the board has not been pressing sales during the heaviest rush of new wheat to market, in order to give full access to market demand by farmers with new crop wheat to sell. But whether that has been the case or not it was not supposed that the board, with large quantities still to dispose of, would put itself out of position to take advantage of the October demand, which is usually heavy, or risk a "corner" position in the market through too great a concentration of holdings in its own hands.



SLOWER

With country deliveries only running afound a million bushels daily and export clearances steady at between 4 and 6 million bushels per week, increase in visible has been slowed almost to a stop.

Last week the total gain of Canadian wheat in marketable positions was only a million bushels. Now that threshing has been resumed in the Peace River district, following heavy and unusually early snow storms, however, country deliveries may be expected to pick up again for a week or two. The crop has been heavy in the Peace River country. But it is estimated that well over half the current crop is now out of farmers' bins.

Details in bushels follow:

Canadian Visible

Week of Oct. 2	Last Week	Last Year
162,710,000	161,833,000	246,108,000

Export Clearances*

Week of Oct. 2	Last Week	Last Year
5,591,241	5,094,252	4,360,851

*Plus U. S. imports.

British Columbia Fights To Retain Marketing Act

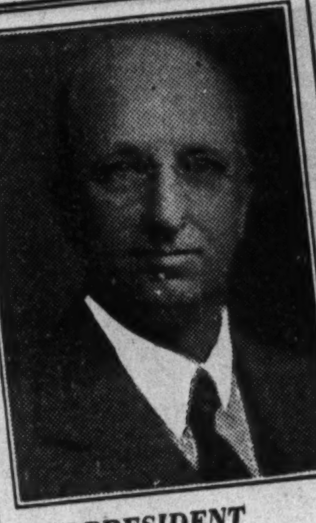
From Our Own Correspondent

VANCOUVER.—British Columbia's Liberal Government is going to make a finish fight in defense of the Marketing Act placed on the statute books of the Conservative Bennett Government in Ottawa. It will argue that the Act is valid when its spokesmen appear before the Privy Council this winter, and in the meantime it is preparing a new provincial measure that will, it is hoped, be upheld by the Supreme Court of Canada, which objected to the Bennett law.

Meanwhile orders have been given to continue application of the old law to the regulation of British Columbia's dry fish salteries, one of the half dozen larger industries which had been controlled by the Natural Products Marketing Act.

Independent dairy interests will carry to the Privy Council the fight over legality of the province's unique scheme of marketing milk under which every producer must sell his product through a central agency. The producer will be given a quota of the fluid milk market and will get fluid milk prices only on the basis of his quota. He must accept his share of the much less lucrative processed milk market.

On another front there is also friction over marketing legislation in this province. The marketing board, established to stabilize sales of vegetables produced in B. C., was recently restricted by supreme court ruling from interfering with potatoes being shipped outside the province. There has been a good deal of difficulty in interpreting this measure and determining what potatoes are for export and what for domestic consumption. A court order restraining the board from interfering with Chinese shippers is now being resisted in Supreme Court.



VICE-PRESIDENT

Russell C. Ronalds, president of the Ronalds Advertising Agency Limited, announces the appointment of Walter Dandie (above) as vice-president of the organization. Mr. Dandie, who has a background of 24 years experience in merchandising and advertising, will be located at the Toronto office. Ray Avery, who has been manager for the Toronto office for the past year, will continue in this capacity.

Quebec Bonds Sold Rapidly

$51 Millions Issue Offered in 4 Lots — Proceeds Clean Up Obligations

From Our Own Correspondent

MONTREAL. — Royal Bank of Canada and La Banque Provinciale du Canada head a large syndicate which sold $51 millions of province of Quebec non-callable bonds. The syndicate included 7 of the chartered banks and 33 investment dealers.

Proceeds will be used to clean up current obligations and provide the government with sufficient funds to cover current needs.

List Winnipeg Electric Stock

MONTREAL.—Winnipeg Electric Co.'s new preferred and common stocks will be admitted to trading on the Montreal Stock Exchange when, as and if issued.

British Columbia Gets New Firms

New firms commencing business in Vancouver according to a special survey by the Vancouver Board of Trade are employing some 600 workers. The survey covered the first 6 months of 1936 and showed a payroll from firms reporting in excess of $275,000.

The companies have invested $860,000 in their plants and have a selling value of their products for the first half of this year in excess of $1.5 million.

Since 1935, the board has been in contact with some 60 firms who expanded manufacturing facilities investing in excess of $1.25 million in machinery, equipment, and additional plant space. From January, 1936, to the end of August, 46 firms had expanded with an estimated expenditure on plant and equipment in excess of $465,000.

Power Corp. Group Records Output Gain

MONTREAL.—Subsidiary and affiliated companies of Power Corp. of Canada report a power output in August of 176.6 million kw.h., as compared with 161.6 million kw.h. for the corresponding month of last year, an increase of 9.30%.

Of the 8 companies included in the group, gains were shown by 7 when compared with production figures for last year, the exception being Winnipeg Electric, which reports a moderate contraction.

Following are the comparative returns for August, 1936 and 1935:

	1936 KW.H.	1935 KW.H.
Southern Canada	14,197,840	13,951,390
Canada Northern	50,230,823	49,991,793
East Kootenay	7,876,552	6,929,656
B. C. Power	43,676,362	39,216,681
Northern B. C.	953,936	926,936
Winnipeg Electric	17,268,300	18,147,500
Manitoba Power	33,943,000	32,382,000
Northwestern Pr.	8,530,300	92,300
	176,676,113	161,638,256

Fight Against Wheat Policy Losing Punch

See Politics Behind Agitation for Pooling Revival

From Our Own Correspondent

REGINA.—Agitation among farmers in western Canada for a change in government wheat policy seems to have passed its climax. The culminating point was a meeting of a body called the Citizens' Wheat Board and Price League, at Saskatoon, with 244 registered in attendance from about 75 points in northern Saskatchewan.

This meeting passed a resolution demanding that:

1.—Wheat Board be put into operation for handling the current year's crop.

2.—A basic price not less than $1.15 per bushel.

3.—Operation the compulsory clauses of the Wheat Board Act, and

4.—That the Wheat Board organize its export sales through its own agencies.

Ask Compulsory Pooling

In essence it sought compulsory wheat pooling, with a high guaranteed minimum wheat price. These demands were formally presented to Hon. J. G. Gardiner, minister of agriculture, and his blunt reply is believed to have disposed of further agitation for the present. He informed the delegates that Ottawa could not pay much attention to demands for a minimum wheat price that rose constantly with the market price, and that any general representations on wheat marketing policy should be made to the Turgeon Commission.

Concurrently the agitation was seized on by politicians for exploitation, under the direction of the 2 C.C.F. leaders of the province M. J. Coldwell, M.P., and George Williams, leader of that party in the provincial legislature. The whole campaign from the first lacked an air of reality, and seemed inspired more as an attempt to secure either bushels or votes than in any expectation of getting the government to give what was asked.

Wheat Board Umbrella

The address to the Regina Young Liberal Club of Mr. Gardiner was carefully watched for any indication of change in government policy. It seemed to indicate general satisfaction with the policy so far followed by the government, together with an intention to await the report of the Turgeon Commission before deciding on permanent policies. But Mr. Gardiner did stress the fact that farmers made use of the Wheat Board only when its price was above the market. He pointed out that during the first 27 days of the current crop year, farmers had delivered 38 million bushels of wheat, of which 800,000 bushels were delivered to the Wheat Board, at a minimum price of 87½ cents. And he denounced the tactics of speakers who, necessarily ignorant of future developments, were declaring that wheat was going to $1.50 a bushel.

A reference to the anxiety of elevators to fill up storage space and hold was interpreted in some quarters as a forecast of a possible investigation of the Pool elevators by the Turgeon Commission.

Dominion Coal Hoist Larger in September

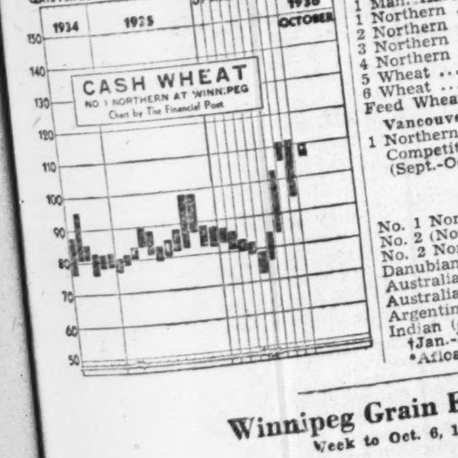
From Our Own Correspondent

MONTREAL.—Nearly 2,000 miners at the Dominion Coal Co.'s New Waterford collieries have agreed to accept the company's offering over the "duffing" rates dispute. The men were demanding a 98 cents boost in wage rate. The company countered with an offer to grant an increase of 7% over the present rates. The rate accepted was from one-third to a half of the amount sought by the men.

Saskatchewan's Capital Raises Big Wheat Crop

Regina at any rate is one Canadian city where vacant lots are being put to a more useful purpose than sprouting old tin cans and weeds. Saskatchewan's capital city this year produced between 5 and 7 thousand bushels of wheat on its Douglas Park farms and a new cemetery site. The bulk of this grain has already been sold but the city fathers, scenting higher prices later on are holding a few thousand bushels to cover themselves in the event of a rise.

Wheat Prices



(Cash Quotations)

	For Week Oct. 6 High $	For Week Oct. 6 Low $	Prev. Week High $	Prev. Week Low $
At Winnipeg:				
1 Man. Hard	1.10¾	1.07¼	1.11¾	1.07⅜
1 Northern	1.10¼	1.06⅞	1.11⅝	1.07⅜
2 Northern	1.08½	1.05¼	1.09⅝	1.05¾
3 Northern	1.05¾	1.02⅞	1.07¼	1.03
4 Northern	1.03⅝	1.00⅜	1.05	1.00½
5 Wheat	1.00¼	.96⅜	1.01½	.96½
6 Wheat	.95¾	.92⅜	.99½	.93
Feed Wheat	.83¾	.80⅜	.85½	.81
Vancouver: Week to Oct. 5:				
1 Northern	1.08¼	1.04⅞	1.09½	1.05½

Competitive Export Prices: (Sept.-Oct.) shipment.

Week to Oct. 3	High	Low
No. 1 North. (Vanc.)	1.27⅜	1.23½
No. 2 North. (Atlan.)	1.25¾	1.22
No. 2 North. (Vanc.)‡	1.23¾	1.23¾
Danubian‡	1.07⅞	1.03⅝
Australian	1.28½	1.24¾
Australian▲	1.17⅞	1.16½
Argentine Rosafe†	1.06⅝	1.05¾
Indian (choice Karachi)	1.23¾	1.22½

†Jan.-Feb. ‡October.
*Afloat. ▲Dec.-Jan.

Winnipeg Grain Futures

Week to Oct. 6, 1936

Crop year from Aug. 1, 1936 High	Low		Open Sept. 30	High for week	Low for week	Close Oct. 6
		Wheat				
1.12¼	.91⅞	Oct.	1.07	1.10⅜	1.06⅜	1.10⅛
1.12¾	1.06⅝	Nov.	1.07	1.10⅞	1.06⅝	1.10⅝
1.10½	.93½	Dec.	1.05	1.09¼	1.04½	1.08½
1.12½	.95½	May	1.06⅝	1.10¾	1.06⅛	1.09¾
		Oats				
.49¾	.41⅛	Oct.	.44¾	.46⅛	.44¼	.45⅝
.46⅞	.44½	Nov.	.45⅛	.46⅜	.44½	.45¾
.48¼	.41¼	Dec.	.44⅛	.45¼	.43¾	.45
.48¾	.42¼	May	.45½	.46½	.45⅛	.46⅛
		Barley				
.68	.51½	Oct.	.60¼	.64½	.60⅛	.61⅜
.63⅝	.60¾	Nov.	.60¾	.63⅞	.60¾	.61½
.63¼	.50¼	Dec.	.58⅛	.61⅜	.53	.59⅝
.61⅞	.50⅞	May	.57⅛	.60½	.57	.58¾
		Flax				
1.90½	1.64	Oct.	1.65	1.69¼	1.64	1.68¾
1.88	1.63	Dec.	1.65	1.69	1.64	1.67¼
1.75¾	1.65¾	May	1.67	1.73	1.67	1.70
		Rye				
.72	.62	Oct.	.66¾	.70⅛	.66⅜	.68⅞
.71⅞	.66⅞	Nov.	.....	.69¾	.66⅞	.69⅝
.72	.61¾	Dec.	.66¾	.70⅛	.66⅛	.68⅝
.72½	.62⅝	May	.67⅞	.71½	.67⅛	.69¾

A.J.Pattison, Jr. & Co. Limited
Established 1907
For twenty-nine years we have rendered a Standardized Service to
BANKS, INSURANCE AND TRUST COMPANIES, BROKERS,
INDUSTRIAL CORPORATIONS AND INDIVIDUALS
IN BUYING AND SELLING
INDUSTRIAL AND PUBLIC UTILITY STOCKS AND BONDS
Royal Bank EL. 5101 TORONTO

DIVIDEND NOTICES

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of October, 1936.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 2nd day of November to Shareholders of record of the 21st day of October, 1936.

On the Common Stock, Seventy-five Cents (75c.) per share, payable on the 16th day of November to Shareholders of record of the 5th day of November, 1936.

By Order of the Board,
C. B. Robinson,
Secretary-Treasurer.
Montreal,
September 25, 1936.

Maple Leaf Milling Company, Limited

(A Company incorporated under the Ontario Companies Act)
and its wholly owned Subsidiaries

CONSOLIDATED BALANCE SHEET As at 31st July, 1936

ASSETS

Cash on hand and in banks		$ 38,081.96
Accounts and Bills Receivable:		
Trade	$1,041,085.88	
Controlled Companies—Current Accounts	20,035.71	
	$1,061,121.59	
Less: Reserve for Doubtful Accounts	88,375.84	972,745.75
Inventories of merchandise and supplies as determined by the Management on the Company's usual basis of valuation, namely—		
Hard wheat and hard wheat flour (both fully hedged) at not more than market value of wheat and cost of milling	$2,785,231.97	
Coarse grains, cereals, feeds, bags and other products and materials, at the lower of cost or market value	598,202.89	3,383,434.86
Advances to Controlled Companies, less Reserve		140,463.50
Investments in shares of Controlled Companies (less amounts written off)	$1,743,661.11	
Other Investments, Mortgages, Exchange Seats and Properties acquired held for sale, less Reserve	195,212.10	1,938,873.21
Fixed Assets, at appraised depreciated values as appraised by Canadian Appraisal Company Limited as of 15th June, 1929, plus additions at cost—		
Real Estate, Plant and Equipment	$6,536,544.75	
Leases and Contracts (less amounts written off)	1,094,699.25	
	$7,631,244.00	
Less: Reserve for Depreciation	1,290,620.38	
	$6,340,623.62	
Automobiles, at cost, less Depreciation	48,906.84	6,389,530.46
Inventories of Repair Parts, less Reserve	$ 67,878.40	
Deferred Operating Expenses	29,379.05	97,257.45
Trade Marks and Goodwill		300,000.00
		$13,260,387.19

Contingent Liabilities:
(1) Guarantee of Quarterly Dividends on Preferred Shares of Eastern Bakeries Limited to 15th January, 1944, not exceeding $13,000 per annum.
(2) Undelivered grain purchases, $324,274.05.

LIABILITIES

Current Bankers' Advances (Secured)	$4,349,529.83	
Bills Receivable under Discount	180,969.53	
Accounts Payable for Grain (Secured)	133,474.17	
Accounts and Wages Payable and Accrued Charges	382,395.90	$5,046,369.43
*Deferred Bankers' Advances (Secured)		1,966,300.00
*First Mortgage 5½% Bonds due 1949	$5,000,000.00	
Deduct: Redemptions	379,500.00	
	$4,620,500.00	
Bond Issues of Subsidiaries pledged to trustee under above Bond Issue as Collateral thereto—		
The Campbell Flour Mills Company Limited 5½% First Mortgage Bonds due 1949	$1,100,000.00	
Hedley Shaw Milling Company Limited 5½% General Mortgage Bonds due 1949	750,000.00	
First Mortgage Bonds of Hedley Shaw Milling Company Limited 6% due 2nd January, 1935 (redeemable at maturity under the terms of the Trust Deed securing the $5,000,000 First Mortgage 5½% Bonds)	121,800.00	
	$4,742,300.00	
Bond Interest Accrued	43,651.08	4,785,951.08
Reserve for Contingencies		240,750.00
Capital—		
Authorized—		
100,000 Class "A" Participating Preferred Shares of no par value redeemable at $17.50 per share and entitled to a dividend of 70c per share per annum cumulative after 1st December, 1938.		
300,000 Common Shares of no par value.		
3 Management Shares of no par value.		
Issued—		
57,665 Class "A" Shares at $14 per share	$ 807,310.00	
250,100 Common Shares at $1 per share	250,100.00	
3 Management Shares at $1 per share	3.00	
Accrued provision for the issue of Class "A" Shares to Bankers on 1st December, 1936	14,793.28	
	$1,072,206.28	
Less: Stated value of shares held by Subsidiaries	27,084.80	1,045,121.48
Surplus, including Surplus arising from reduction of capital, less amounts written off assets, etc.		175,895.20
		$13,260,387.19

*Note: Under agreements with bankers and the trustee for the Bondholders a portion of the interest on the Bonds and Deferred Bankers' Advances up to 1st December, 1938, is to be settled by the issue of Class "A" Shares.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the foregoing Consolidated Balance Sheet of Maple Leaf Milling Company, Limited, and its subsidiaries as at 31st July, 1936, and of the accompanying Consolidated statements of Profit and Loss and Surplus for the year ending on that date. In connection therewith we examined or tested the accounting records of the Company and its Subsidiaries and obtained all the information and explanations we required from its officers and employees; we also made a general review of the accounting methods and of the Operating and Income Accounts for the year and made tests of the year's transactions.

We report that subject to the values at which Fixed Assets and Investments are stated and the adequacy of the Reserve for Depreciation, in our opinion based upon our examination, the accompanying Consolidated Balance Sheet and Related Statements of Profit and Loss and Surplus have been drawn up in accordance with accepted principles of accounting and on a basis consistent with the preceding year, so as to exhibit a true and correct view of the state of the Companies' affairs as at 31st July, 1936, and of the results of their operations for the year, according to the best of our information and the explanations given us, and as shown by the books of the companies.

CLARKSON, GORDON, DILWORTH & NASH,
Chartered Accountants.

Toronto, 19th September, 1936.

Consolidated Surplus Account for the Year Ended 31st July, 1936

Balance 31st July, 1935	$298,952.33
Add: Recovery from sale of collateral security, etc., given by former officers	5,644.47
	$304,596.80
Loss for year—as above	128,701.60
Balance 31st July, 1936	$175,895.20

EST. 1857
Grain Merchants Shippers & Exporters
Pioneers IN THE EXPORTING OF CANADIAN GRAIN
JAMES RICHARDSON & SONS Limited
WINNIPEG REGINA MONTREAL MOOSE JAW VANCOUVER SASKATOON TORONTO CALGARY KINGSTON EDMONTON

LAKE OF THE WOODS MILLING CO., Ltd.
Makers of FIVE ROSES FLOUR
Mills at
Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 20,000 BARRELS
President
FRANK S. MEIGHEN, C.M.G.
HUGH MACKAY, K.C.
Vice-President
C. H. G. SHORT
General Manager
Directors
N. J. BREEN
WALTER MOLSON
RT. HON. LORD SHAUGHNESSY, K.C.
HON. RODOLPHE LEMIEUX, K.C., P.C.
JOHN W. HOBBS
ISAAC PITBLADO, K.C.
PAUL F. SISE
FRANK S. MEIGHEN, C.M.G.
HUGH MACKAY, K.C.
R. W. REFORD
G. W. ALLAN, K.C.
J. W. PYKE
Secretary
D. A. MacINNES
Treasurer
R. H. HUTCHISON

SEARLE GRAIN COMPANY
LIMITED
Country Elevators — Commission Merchants — Future Orders — Domestic and Steam Coal — Flour and Feed
OFFICES:
WINNIPEG — EDMONTON — CALGARY
FORT WILLIAM — VANCOUVER
SEARLE TERMINAL LIMITED
WINNIPEG - FORT WILLIAM

From Wagon to Sea-Board —
—Fair and Efficient dealing is the "A.P." Standard of Service.
The ALBERTA PACIFIC GRAIN COMPANY Ltd.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

JACKSON BROS.
GRAIN COMPANY LIMITED
HURON & ERIE BLDG. — WINNIPEG
STOCK EXCHANGE BLDG. — VANCOUVER
STOCKS — BONDS — GRAIN
Members Winnipeg Grain Exchange — Winnipeg Stock Exchange
Vancouver Stock Exchange — Canadian Commodity Exchange
Orders executed over private wires on
NEW YORK - MONTREAL - TORONTO - VANCOUVER

British America Elevator Company, Limited
WINNIPEG - MANITOBA
We Own and Operate 130 Country Elevators in
MANITOBA - SASKATCHEWAN - ALBERTA
Licensed Country Grain Warehousemen
Commission Merchants — Track Buyers
Members:
Winnipeg Grain Exchange Chicago Board of Trade
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NORRIS GRAIN COMPANY
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WINNIPEG AND TORONTO
PRIVATE WIRE SERVICE
GRAIN AND STOCKS
Represented by NORRIS GRAIN CO. at
London, Liverpool, Chicago, New York, Toledo, Kansas City

In aroma and taste—
"EXPORT"
CIGARETTES
—are delightful.

Timber, Gold Foundations Of Prosperity

London Editor Sees Canada at End of Lean Years

GIVES IMPRESSIONS

Increasing value of timber products, mining and tourist business offer 3 great forces for prosperity in Canada is the view of Collin Brooks, financial editor of the Sunday Dispatch, of London, England, following a recent coast-to-coast trip across Canada in company with Lord Rothermere. He is the author of several economic works and his weekly page, "Your Editor Speaks to You," is a feature of London journalism.

By COLLIN BROOKS

My considered view now is that Canada is seeing the end of the lean years.

This is the cellulose age. After the iron age, the steel age, the concrete age, the age of timber has returned. Canada's wealth of timber will again pour prosperity into the lap of the Dominion.

The consumption of rayon pulp is growing at a surprising pace. Delivery difficulties have already been sighted. Staple fibre is beginning a spectacular career.

In Europe the plastic industries are in their infancy, but they are lusty.

The newsprint industry seems to me to face this position: Its raw material is known and limited. Political action may restrict even the natural limitation. Upon that raw material the plastic and textile industries must make rapidly-increasing demands. At the same time, trade recovery in Europe and the United States is ending a slack demand and inaugurating a brisk demand for newsprint itself.

The quickening of political events in Europe, the promising boom atmosphere in the U. S., the coronation of 1937—these promise strongly to stimulate newspaper reading all over the world.

The publisher cannot afford to reduce the size of his product. If costs go against him, he must resort to higher prices. Buffalo has already shown the way. The one constituent which he cannot cut is newsprint: if he has to economize it must be on something else.

Pine Threat Exaggerated

The threat of the Southern Pine is surely exaggerated.

Southern Pine does not make a good print. Even if high prices tempted it into production, and even if it were given a government subvention, it would take 4 or 5 years to capitalize and operate—and the shortage will be felt long before then.

With this recovery in newsprint and the new demands on timber for the other uses I have mentioned, not forgetting an increasing demand for high-profit kraft and other lines, the timber interests must flourish. It is significant that the most prosperous countries in Europe are the Scandinavian timber countries on the sterling standard.

With a timber recovery in sight, Quebec and Ontario must feel immediately happier, and B. C. is surely expectant of better times.

Riding a Golden Wave

What of the other 2 great forces for prosperity?

Nobody can cross Canada without being stimulated by the mining optimism. Ontario, riding the golden chariot, is—to a visiting eye—happier than B. C., where the new capital difficulty appears greater, but about the future of Canadian gold there can be no question.

The problem of attracting British capital has to be faced. The Rand, West Africa and Western Australia have a strong hold on the loyalty of the investor in the Old Country, and for some reason or another Canadian gold investment has always been made to appear more of an American than a British interest. There are some phases of past history which have left the British investor a little frightened.

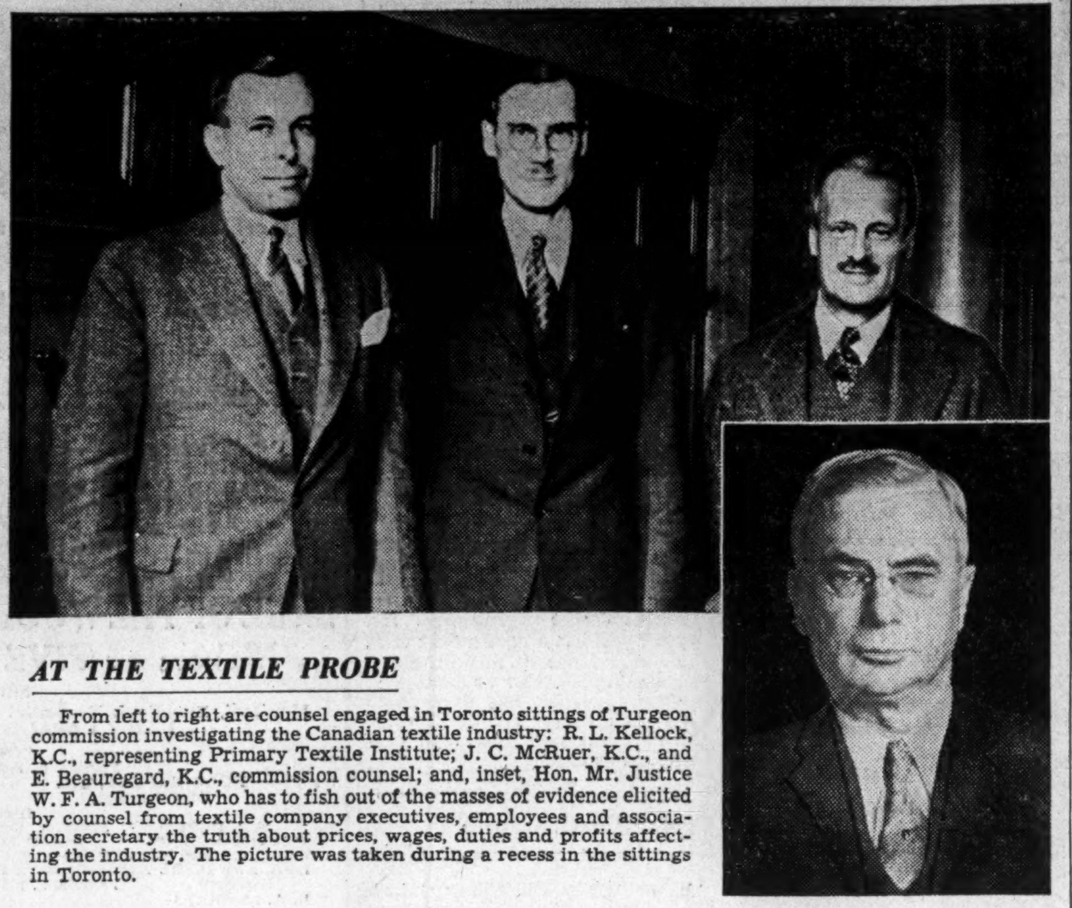
But, in the jargon of the market, "the stuff is here"—and interest is growing. In Toronto the growing power which successful gold mining and hopeful prospecting create is palpable. That city is destined, as it seems to me, to be the Jo'berg of the West, without many of the South African township's disadvantages. Politicians say that trade follows the flag: trade certainly follows the mining market.

Of one thing I am convinced—that with Europe and the Near East in turmoil, Canada can with relative ease create an enormous tourist traffic. The 5-day ocean cruise ending in the attractions of such a resort as Murray Bay, of the lake lands, or of the awe-inspiring trip through the Rockies to Vancouver is within reach of British holiday purses. With the attractions driven home more deeply to the British public mind, and with all possible fare concessions and travel easements made, the potential invisible export could be quickly and greatly expanded. As a citizen of Great Britain anxious to return to Canada as soon as possible and as often, I welcome the activities of the C.P.R. to this end. Even Australia is now advertising itself in "Punch" as a winter resort for fog-tired and rain-tired Londoners!

None Timid, Frightened

During my trip I have met hopeful men and I have met worried men, but I have not met one timid man or one frightened man. In all places and among all grades—and my talks have been wide ranging, from bank presidents to train bumpers—I have found a terrific faith in Canada's future. It would need a book to display all my economic reasoning and a volume of lyrics to convey my instinct and intuition, but I end as I began, with the assurance that Canada's full recovery is nearer than many Canadians will permit themselves to think.

Timber and gold are stout foundations for prosperity, whatever may be the immediate depression in the wheat lands. It is unthinkable that temporary political or economic manias or some natural flaws in a still developing political system can much impair or long impede that prosperity.



AT THE TEXTILE PROBE

From left to right are counsel engaged in Toronto sittings of Turgeon commission investigating the Canadian textile industry: R. L. Kellock, K.C., representing Primary Textile Institute; J. C. McRuer, K.C., and E. Beauregard, K.C., commission counsel; and, inset, Hon. Mr. Justice W. F. A. Turgeon, who has to fish out of the masses of evidence elicited by counsel from textile company executives, employees and association secretary the truth about prices, wages, duties and profits affecting the industry. The picture was taken during a recess in the sittings in Toronto.

Probe Inside Workings Of Textile Industries

Commission Counsel Seeks Data on Price Discussions

HALLAM EXPLAINS

Chief witness in the textile industry investigation at its Toronto sittings being conducted by Mr. Justice W. F. A. Turgeon, was Major Douglas Hallam, secretary of the Primary Textiles Institute. J. C. McRuer, K.C., commission counsel, questioned Major Hallam closely as to the interrelations and the effect on prices to consumers of existing Canadian textile associations.

Major Hallam testified that he is secretary of the Primary Textiles Institute, of the Cotton Institute of Canada, of the Silk Association of Canada and of the Woollen and Knit Goods Manufacturers Association. He is also general manager of the latter association, a title which he regards as purely honorary.

Organize Whole Industry

The Primary Textile Institute, which has operated since January 1, 1935, is made up of the presidents and vice-presidents of the other associations named. It was formed in order to furnish a means by which all of the primary textile industries could inform themselves as to each other's problems and work together for common ends whenever that should prove advisable.

The Silk Association, Major Hallam testified, is composed of people and firms who manufacture silk from the raw materials. They include silk throwsters, fabric manufacturers and hosiery manufacturers. It was open to rayon manufacturers to become members if they wished. Courtaulds had been a member but had withdrawn when it had been decided not to accept Courtaulds' suggestion that the association's name should be "The Silk and Rayon Association." The Celanese Company is an associate member.

Cotton and Wool

The Canadian Woollen and Knit Goods Association has been in existence 18 years. Of 300 firms eligible to join, 70 firms belong. But these firms are representative of 90% of the production in the industry.

The Cotton Institute of Canada embraces practically all of the cotton weaving trade. It includes such companies as Canadian Cottons, Cosmos Imperial, Dominion Fabrics, Dominion Textile, Empire Cotton Mills, Hamilton Cottons, Montreal Cotton and Wabasso Cotton Company. It was formed with 2 objects: (a.) To represent the industry as a unit in dealing with matters affecting it; and (b) to do all possible to raise the industry in the esteem of the people of Canada. It was contended by Major Hallam that in actual practice it was a fact-gathering organization. Particularly it collected and tabulated statistics for the information of the industry.

The only effect on prices, he contended, was that the facts gathered as to production and consumption might stabilize prices as a by-product of the fact that the various companies no longer worked in the dark.

There were similar objectives in the other associations he represented.

Major Hallam quoted John Gowling, president of the Silk Association in 1933, when he warned the industry of the danger that rapid expansion would bring about overproduction followed by idle machinery and ruinous prices. Through the association, he felt it necessary to let the various units know the danger of installing further machinery.

Blames Merchants

The object of the Woollen and Knit Goods Association is to promote all legislation calculated to encourage the manufacture of all classes of woollen and knit goods within the Dominion.

Major Hallam claimed good work had been done by this association by inducing merchants not to sell goods of second and third quality as first quality. Markings and brands had been revised so as to make such merchandising difficult. Some information as to prices charged was made available for members because prices were being demoralized by merchants who represented that they had been offered products for less money than was actually the case, he said.

Not Working in Dark

A letter from Penmans, Ltd., in Sept., 1935, was read. In this letter the company promised to supply lists of prices charged from time to time of full-fashioned hosiery as changes in raw material and labor costs led to price changes. The letter promised to give notice of price changes 15 days before the regular announcement. This information was intended to relieve the trade from the necessity of depending on unreliable statements of merchants for their information on prices.

The full-fashioned hosiery section for a time discussed the advisability of an agreement relative to price changes. Some 11 companies refused to sign on the ground that the trade was too upset to know what to do in this matter of exchanging price information. The agreement was therefore abandoned.

Sales Permits Issued

Information was given by Major Hallam on an agreement in the industry that discontinued lines would not be offered for sale at a lower price than the minimum first quality prices until permission of the central office was obtained.

Price was not the question in this application for permits, said Major Hallam. The aim of getting the hosiery people together, he said, "was to have them promise not to sell certain lines below the maximum price without giving notice." This was to prevent sales of lines as "discontinued" which the industry did not regard as "discontinued."

The witness was questioned on the meaning of a memo on machine knitting yarn which was sent to certain spinning mills on Jan. 23, 1936. The memo set forth various prices of weaving yarns open and yarns on the regular list. Commission counsel was of the opinion that this memo showed the existence of an arrangement to have the whole industry charge the same prices. Major Hallam argued the memo set forth prices that should be charged on the basis of cost and of "tops" prices at the date mentioned. It was not necessarily a price which the mills could get. It was an ideal price arrived at after a lot of discussion to show what should be charged in the view of experts on the basis of the price of tops at that time.

Willing to Co-operate

A letter from Hield Brothers to Major Hallam, dated Feb. 15, 1933, "with reference to stabilizing the price in grey mixture serges," said in part:

"I would be willing to enter into some form of co-operation on the prices to be quoted on the grey mixture serges, but I did not have the opportunity of stating what I thought the minimum price should be.

"If Dominion and Dupont will advance price of woollen weft grey serge and Renfrew Woollens and Leach advance their cloths to $1.45, I am prepared to agree to price telephoned, subject to other cloths coming on the market,"

Signed, E. R. Hield, director.

Witness testified Mr. Hield met with the committee because his price was lower than that charged by most of the mills.

In connection with a bulletin on worsted fabrics some manufacturers met to discuss prices. The raw material, wool tops, had been subject to great fluctuations and it was a very important matter, said Major Hallam, to them to work out the price which should be charged. It gave the industry a standard to work to. It was the price they should get at costs as they then stood.

A letter from E. H. Kinsell, Herbert Hosiery Mills of Canada, dated Jan. 23, 1934, agreed with the principles set forth in Major Hallam's bulletin on raw materials, prices, costs and replacement values.

"It looks," said the letter, "as though we must all market our merchandise on a basis of the average cost of our yarn contracts, after which we must raise our prices according to the replacement costs of materials.

"There has been on increase in consumer purchasing power and we fancy it would be difficult to put across any considerable increase in price at this time."

Matthew H. Sergeant, who had been a textile worker for some decades off and on of the Campbellford Textile Co., a subsidiary of Barrymore Cloth Co. of Toronto, testified he had been discharged because he had been present at a meeting where it had been decided not to work Saturday afternoon as the women weavers needed that afternoon for their house work. They were locked out Monday morning. Out of 22 workers, 13 had been reinstated, but witness and his wife had been refused employment then or ever, witness said. He had organized the union in January as a branch of a Toronto union. His local no longer existed though the Toronto union did. He had been refused employment in Peterborough because of his activities in organizing the workers, he further said. His highest wages had run around $45 but $35 was good for full time employment. Taking it year in and year out and taking in off time, his average was about $15 a week.

What's What In Advertising

By TORY FLEMING
Editor, Canadian Advertising

Four Canadian campaigns were awarded places among the Fifty Direct Mail Leaders of 1936 at the Direct Mail Advertising Association convention. The firms sponsoring the campaigns were Imperial Oil Ltd., Toronto, Cellophane Division of Canadian Industries Ltd., Montreal, B. F. Goodrich Rubber Co., Kitchener, Goodyear Tire & Rubber Co. of Canada, New Toronto. Imperial Oil, Goodyear and C-I-L were winners last year also.

* * *

C. F. Goodman, formerly with the Walsh Advertising Co., has been appointed manager of the newly opened Toronto office of Young & Rubicam Ltd., advertising agency.

* * *

A merger in the cereal field brings together Durum Cereals Ltd., Toronto, and Old York Cereal Co., Toronto, under the active management of the latter organization. The new firm will be known as Durum Cereals Ltd. F. H. Hayhurst Co., advertising agents, announce new campaigns for the products Sun-Era and Old York Cereal.

* * *

The best advertising is not always the latest. McColl-Frontenac Oil Co. have presented a picture to the Toronto Stock Exchange, an original of one of the firm's first magazine advertisements and an exceptionally fine example of color work.

* * *

An example of over-zealous reporting comes to light in an item appearing in a recent issue of the Sarnia Observer. S. B. Scott, assistant treasurer of Imperial Oil Ltd., spoke before the Sarnia Rotary Club. Under the heading "Newspaper is Best Medium," the Observer quoted Mr. Scott as saying: "Having obtained a high quality product the next step is to let the public know what is manufactured by the firm, and this is done best by using the advertising columns of the newspaper."

What Mr. Scott actually did say, was "... the next thing we do is to let the public know what we have got, in other words, advertise. This advertising is carried out in a number of different ways: National advertising by means of magazines, billboard advertising, electric signs and so forth. Also by direct advertising methods, such as, local newspapers, direct mail, programmes, prizes at fall fairs, etc., and lastly, by means of contacting specific groups of consumers, such as the farmers, through farm journals, and for whom we issue special booklets . . ."

* * *

Two new advertising dodges have cropped up in the United States in the form of a display window that lights up every time a pedestrian walks in front of it and a vocal drinking fountain that speaks a few well-chosen words when an unsuspecting passerby stoops to quench his thirst. Both are actuated by photo-electric cells.

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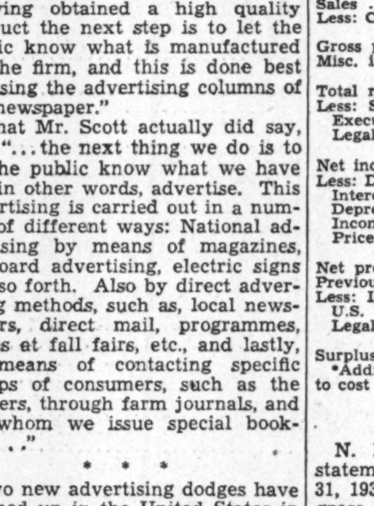

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Company Reports

Maple Leaf Milling

Maple Leaf Milling Co. report for the year ended July 31, 1936, shows pronounced improvement, but still leaves the company with the problem of deficient working capital. Interest paid in cash was earned 2.13 times after depreciation, compared with 0.21 times in the preceding year. However, after making a deduction in income account for the portion of interest paid in class A shares, depreciation charges were not covered in full.

Payment of part interest in stock enabled the company to reduce its deficiency of working capital by $247,000. There is some prospect of further reduction of this deficiency in 1936-37, first by any insurance received from the loss of the steamship Benmaple and also by sustained or improved earnings. Everett Bristol, president, refers to "somewhat more favorable market conditions."

Income and Surplus Account
Years Ended July 31

	1936 $	1935 $
Earns. from opers. ..	458,807	193,886
Less: Deprec.	172,003	165,846
W/o leases etc.	50,000	50,000
Bond interest*	134,372	134,372
Bond interest†	129,374	129,759
Bank interest†	88,760	89,227
Eastern Bak. div. ..	13,000	13,000
Net loss for year	128,702	388,318
Less: Prev. surplus ..	298,952	691,350
Recov. collateral ..	5,645	3,550
Add: Reorg. exps. ..	......	7,630
Surplus forward	175,895	298,952

*Portion paid in cash.
†Portion settled by issue of class "A" shares.

Working Capital		
Current assets	4,434,726	3,255,409
Current liabilities ...	5,046,369	4,114,222
Deficiency	611,643	858,813

Distillers-Seagram

Distillers Corp.-Seagrams financial statement for the year ended July 31, 1936, shows earnings of $2.41 a share as compared with $5.05 in the preceding year. Sales during the year amounted to over $60.5 millions. After taking into consideration cost of goods, selling charges, administration expenses, etc., net income at around $7.4 millions compared with nearly $11.3 millions in 1935.

The report reflects a marked expansion in operations and sales, which, however, is not indicated by the net profit figures. During the year the company spent over $4.6 millions on construction of the new Seagram and Calvert distilleries and for additional equipment and maturing warehouses at Lawrenceburg, Ind., and Relay, Md. As a result of the increase in productive facilities, inventories of whisky, gin and other spirits on hand on July 31, amounted to 49 million U.S. proof gallons, compared with 29 million gallons on the same date in 1935. These inventories are carried on the books at $23.7 millions, or slightly over 50 cents a gallon.

Increase in Loans

The expansion in inventories is shown in an increase in bank loans from $2 millions to $13 millions, while current accounts payable were more than doubled at $3.7 millions. There is no change in the outstanding capital stock, but options covering 30,000 shares at $22 a share have been given to certain officers of the United States subsidiary company.

Among assets of the company, current accounts increased during the year from $21.9 millions to $32.7 millions. Property account stands on the books, after depreciation, at $10.6 millions compared with $6.5 millions a year ago.

Income and Surplus Account
Years Ended July 31

	1936 $	1935 $
Sales	60,585,916	......
Less: Cost of goods ..	41,204,063	......
Gross profit	19,381,853	......
Misc. income	107,561	......
Total revenue	19,489,414	......
Less: Sell. exps., etc.	11,565,892	......
Executive salaries .	294,034	......
Legal fees	237,572	......
Net income	7,391,914	11,287,025
Less: Directors' fees..	1,000	1,500
Interest	431,840	100,656
Depreciation	*118,064	*391,584
Income tax	907,350	2,001,705
Price allowance ...	1,724,987	......
Net profit	4,208,673	8,791,580
Previous surplus	14,154,739	6,565,061
Less: Inc. tax adjust.	†115,912	201,902
U.S. treasury claim	1,500,000	......
Legal fees on claim	125,000	......
Surplus forward	16,584,325	14,154,739

*Additional depreciation charged direct to cost of production. †Add.

Bawlf Grain

N. Bawlf Grain Co.'s financial statement for the year ended July 31, 1936, shows a moderate gain in gross income but after providing for a larger reserve for depreciation, income taxes and bond interest, net profit was $231, compared with $1,064 in the previous year.

The only change of importance in the balance sheet is a drop in inventories during the year from over $2 millions to $851,378, which brought about a reduction in bank loans from $1,681,100 to $353,200.

Income and Surplus Account
Years Ended July 31

	1936 $	1935 $
Operating profit	114,720	96,672
Misc. income	4,501	810
Total revenue	119,221	97,482
Less: Depreciation ..	98,667	72,330
Interest	19,824	22,071
Tax provision	500	267
Directors' fees	......	1,750
Net profit	230	1,064
Previous balance	383,415	416,551
Sundry adjustments .	5,634	34,200
Surplus forward	378,011	383,415
Working Capital Position		
Current assets	1,010,234	2,285,579
Current liabilities ...	635,777	1,944,230
Working capital	374,457	341,349

Coast Breweries

Coast Breweries' profits for the year ended June 30, 1936, are reported to be equal to $1.11 a share on the common stock. In the preceding year common earnings were shown at 93 cents a share.

Income and Surplus Account
Years Ended June 30

	1936 $	1935 $
Gross revenue	662,579	585,857
Expenses	462,519	417,259
Net income	200,060	167,297
Dividends	165,890	165,890
Surplus for year	34,170	1,407
Previous surplus	38,142	36,735
Brought for'd	72,312	38,142
Working Capital		
Current assets	416,012	349,564
Current liabs.	156,172	148,772
Working capital	261,840	200,792
Ratio	2.67—1	2.35—1

National Steel Car

National Steel Car's financial statement for the year ended June 30 shows an operating profit of $368,982, compared with an operating loss of $203,294 in the previous 12 months.

The balance sheet shows an all-round improvement consequent upon improved earnings. Increase in depreciation reserve is the only material change among liabilities. On the asset side of the ledger, cash has increased from $8,947 to $181,509. In addition there are call loans of $325,411. On the other hand investments declined from $294,675 to $71,784. Reflecting the larger volume of business, inventories increased from $97,389 to $180,095.

Profit and Loss Account
Years Ended June 30

	1936 $	1935 $
Operating profit	368,982	203,294
Less: Depreciation	357,147	50,000
Net profit	11,835	253,294
Previous balance	4,447,873	4,701,167
Balance forward	4,459,708	4,447,873
Working Capital Position		
Current assets	1,089,591	681,200
Current liabilities ...	94,497	32,058
Net working capital ..	995,094	649,142

New Steel Piling Meets Stiff Test

Is Driven Into Sandstone With No Ill Effects

Highly satisfactory results are reported from recent tests where the lightest of the Algoma Steel Corp.'s new steel piling was driven into firm sandstone. The test was carried out last week before company and government officials along the St. Marys River waterfront at Sault Ste. Marie.

A spot was selected where the water level was 8 feet above the rock which is covered by a few inches of muck. The first pile was driven almost 2 feet into the rock and then withdrawn and examined. Only at the bottom of the web could any slight bending be noticed. In a different location this piling was again driven almost 4 feet into the rock with no further damage.

In another test a new pile without an interlock was used and was driven almost 4 feet into the rock with the only damage being a slight indentation at the bottom of the web.

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Depth Chances Good at Athona

Engineer Outlines Development at Athabasca Property

A. P. Beavan, engineer of Athona Mine, developing a property at Lake Athabaska, Northern Saskatchewan, stated in Toronto recently that the ore zones give indications of being deep-seated.

Development of the main zone at the 125-ft. level has been carried on continually and has shown an additional 80,000 tons of indicated ore of a grade equal to $4 average of the 500,000 tons reported up to July 31, in this area.

In the winze, sunk from the 125-ft. level in the main zone, development has shown ore of a similar grade to that of the 125-ft level.

The No. 2 shaft was sunk to a depth of 112 ft. at which level lateral development is being carried out. Work here has indicated about 20,000 tons from the surface to this level, Mr. Beavan states. Recent work to the south of this shaft has indicated that the grade to be expected in this area may be slightly higher than the $4 average shown in the north zone in the north section.

Drilling between No. 1 and No. 2 shaft has indicated that the main zone will be found to continue between these workings and should value and dimension be maintained over this length of 750 ft. it would show an additional 625,000 tons per 100 ft. of depth.

One of the most important developments to date on the property is the discovery of a mass of sediments east of the main zone. This consists of quartzite similar to that which forms the footwall of the large ore body on Consolidated Mining & Smelting Co. property about one mile to the west. Where this contact was found on surface, a series of narrow high-grade veins are in evidence. Where it was found on the 125-ft. level, a fractured zone, 30 ft. wide, contains a number of narrow quartz veins, all of which are reported to be high grade. Work has just begun on the contact at this level, and car samples are running up to $30 per ton.

Geologically this contact is believed significant inasmuch as it is a confining wall, which may be more important as depth is attained.

St. Anthony Gold Mines — H. P. Bellingham, president, has, according to reports filed with the Securities and Exchange Commission, Washington, decreased his holdings in this company from 500,000 to 487,500 shares.

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● GOLD VALLEY MINES—A property comprising twenty mining claims of approximately eight hundred acres, adjoining the famous McWatters Gold Mine, five miles from the towns of Rouyn and Noranda. A very comprehensive survey has been made under the direction of an outstanding Consulting Geologist, and in considerably more than fifty samples taken excellent gold values were disclosed by checked samples.

● GOLDEN ROAD MINES—A property comprising three hundred and twenty acres in Rouyn Township which straddles the highway to McWatters Gold Mine, and within two and a half miles of the towns of Rouyn and Noranda. Following a geophysical survey, seventeen trenches were opened up which located several promising veins and fractures. As a result of these interesting disclosures a thorough plan of development is planned including diamond drilling.

● MUD LAKE PROPERTY—The Company recently purchased approximately six hundred acres in Devlin Township, where there has been considerable activity during the past year, under the leadership of McIntyre Porcupine Mines, and other companies. The property is located in the heart of the area, where rich finds are disclosed and this camp is looked upon most favourably.

This well sponsored Company offers the opportunity of an excellent speculation. Those behind the undertaking have wide experience in mining, and have selected three most promising properties, that they have partially explored, previous to making this public offering.

The Company having received payment or commitment to pay, the proceeds of this offering do not go into the treasury of Sturgeon Goldfields Limited.

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The Week in Mining

Summer's Money Crop Now To Get Real Test

Indications Point to Quiet Period Marketwise, as Winter Activity Sets In

The street is now beginning to admit, more or less timidly, that many of the mining issues traded on and off the Exchanges, are over-priced. This is not an amazing situation in itself. The amazing part of it is that the street is only now willing to admit the fact, and not until after all indices have shown a levelling off, and actually a decline in market values.

About a month ago, when these pages offered the suggestion there was little foundation, propertywise, for some of the prices being paid for mining stocks, a few interested in maintaining such levels, took exception to the view.

It was natural that these same sources were the ones which, in letters to prospective customers, had a heyday with the devaluation of the franc, terming it a definite indication that the price of gold was to rise sharply, and urging their clients to buy more and more speculative gold stocks.

There are several reasons for thinking that the peak of the mining boom, as it is reflected in the market, has been passed.

Seasonal Lapses

IN THE first place, the freeze-up season is practically here and most of the genuinely good news which has been forthcoming in the summer months, will be cut off. The winter is not noted as a period of prolific mining news, owing to the difficulty of continuing surface work on the pre-Cambrian. Winter is usually the period in which sincere mining efforts take place, but the results are not apt to be of such a sensational nature as in the good old summer time.

Good field news was one of the features of the past summer, and was responsible for the continued healthy activity in the trading centres. As has previously been pointed out, this in itself is a source of comfort to those who bought speculative stock during the summer activity.

* * *

Swing to Industrials?

INDUSTRIAL stocks appear to be taking real encouragement out of the world currency situation, a situation which is, after all, a form of stabilization. For this reason it is believed in some quarters that the flow of capital, particularly speculative capital, will be toward industrial stocks rather than mining.

This predicted swing to industrials may be affected by the result of the November elections in United States. American industry will know after that date what the legislative pot will hold for it. This news may or may not be encouraging, but in the meantime, it appears that the uncertainty is, to some extent, checking industrial price advances.

* * *

Now Up to the North

A LOT of money has been raised this summer from the mine-minded public, and it is a safe guess, under present legislation, that a greater percentage of it than formerly will find its way into the north country for development this winter. It is also a safe guess that at least a part of this money will result in important ore disclosures. It will not take many such disclosures to pave the way for an active 1937.

The street can well afford to ease off a little bit now, and let the hard-rock miner spend the money that has been raised this summer.

* * *

Bridge River Results

SUBSTANTIATION for the statement, made above, that news from the field this summer has been, on the whole, exceptionally good, is contained in the review of the Bridge River area, published in another column. It will be noticed that at almost every major property at this important British Columbia camp has had a highly successful summer.

Not only has development work resulted in increased ore possibilities, but in the case of producers, tonnage handled has, in many cases, been increased in the past year.

Eastern Canada should welcome the efforts being made by reputable B. C. mining to facilitate the distribution of reliable mining news and publicity from the Pacific coast.

* * *

Nickel in Demand

THERE are reasons for believing that in the years to come, the world may see a search for nickel comparable in intensity to the struggle for control of oil. It is true that nickel is one of the commonest metals, and occurs in a variety of places on the earth, but in view of the fact that the price of nickel is pretty well controlled by a comparatively small group, it is doubtful if these deposits would be found commercial. At the present price of nickel, they have certainly not shown any commercial possibilities.

It is a tribute to the management of the world's dominant nickel producer, International Nickel Co., that despite every increasing demand, the price has remained at the 35 cent per pound level for some years. The almost prohibitive price maintained by the radium trust serves as an example of what might have happened, on a smaller scale, with nickel.

It is known, for instance, that Japan is virtually starved for nickel, and is attempting to develop her own deposits. She has also manifested an interest in Canadian deposits, both in Ontario and British Columbia.

Recently, several potentially important new nickel strikes have been made in Northwestern Ontario. Today, these deposits are being worked at 3 different points. At Shebandowan Lake, International Nickel has 4 diamond drills working on an optioned property. Coniagas Mines has a half interest in a nickel deposit southeast of Kenora, where surface work is proceeding. Another discovery has been reported at a point about 90 miles west of Hudson on the Sioux Lookout-Port Arthur branch of the C. N. R. This find was made by Robert Peck, and is only a few hundred feet from the track. It has aroused considerable attention, judging by reports from the area.

AmericanSmelting Doubles Earnings

Per Share Net Profit on Common Stock $3.01 First Half

Net income of American Smelting & Refining Co. for the first 6 months of 1936 amounted to $3.01 per share, after meeting dividend requirements on the 2 classes of preferred stock, the semi-annual consolidated reports show.

This figure is double that earned in the first half of 1935, when earnings per common share of $1.51 per share were shown.

Net income, after all charges, including income and corporate taxes, amounted to $7,807,529, as compared with $5,062,850 in the first half of the preceding year.

Total current assets as at June 30 last are shown at $86,647,032, as against current liabilities of $18,074,783, indicating a working capital position of $68,572,249.

Outstanding bonds were retired to the extent of $2,041,000 during the 6 month period, leaving outstanding bonds as at June 30 of $22,959.

How Good is Gold? ~ ~

Gold, as Fiscal Fiancé, Being Given a Rough Ride—But Proves Itself a Very Real Friend

By **WILFRID SANDERS**

Dame France, last of Gold's true loves, has officially announced that "there is nothing to it, and we are just good friends."

As it now stands, all those world countries formerly pledged to gold have adopted the modern, Hollywoodian "just good friends" attitude.

All of which might, on the surface, indicate that as a monetary mate, or fiscal fiancé, gold is sadly lacking in the finer points.

But under the surface,—literally under the surface—is evidence aplenty that gold, if only a friend of nations, is a very good friend.

Under the surface at Fort Knox, Kentucky, for instance, is part of United States gold hoard of $10.35 billions.

Under the surface at Ottawa is some $197.2 millions worth of the stuff.

France itself, most recent of the large countries to forsake the gold standard, had, at the end of July, no less than $6.1 billions of gold in the Bank of France.

At the same period, United Kingdom (whose Montagu Norman recently told U.S. reporters regarding gold; "You can keep it. We don't want it.") had some $12 billions worth of gold.

Altogether, buried away here and there under the surface of the earth or in vaults humanity has avidly tucked away an estimated $42 billion dollars worth. About half of this is estimated to be monetary, and of this half, the United States holds half.

How Good is it?

Moreover, the United States treasury has not, as yet, given any indication that it will stop paying $35 per fine ounce for gold.

In spite of all this tangible evidence of the high regard in which most of civilized man holds gold, recent disintegration of the gold bloc countries has accentuated the critical attitude which people are taking towards this old ally, and stirring once more the question "just how good is gold?"

Struck by what he saw as the wasted effort in painfully wresting gold from the depths of the earth, only to bury it once more, a pseudo-economist has suggested that infinite labor and disappointment would be saved if the government stuck up a sign somewhere on the pre-Cambrian shield, bearing some such words as "Under this sign lies 200 million dollars worth of gold."

Would Work—if

As a matter of fact, if the general public believed what the sign said, the gold would probably function just as well as a basis for currency as it does now.

Thousands of Canadians would, of course, be thrown out of work. Factories now manufacturing supplies for the gold mines would be forced to close down. The railroad problem would be accentuated, but, if the people of Canada, and of the world, believed what the sign said, there is no obvious reason why the currency system would be impaired.

But, fortunately for the thousands of Canadians dependent on gold mining for a livelihood, the people would, of course, not believe it. In addition, last fiscal year, Canada exported some $83.4 millions in gold bullion, which would leave a serious gap in her export figures were the effort of mining done away with.

Talks Universal Language

Economists are still advancing complex opinions as to whether or not the gold standard, as we formerly knew it, will ever be widely accepted and utilized again.

Whether it is or not, gold still talks a universal language all over the earth. Mankind, whether from superstition or a real appreciation of its qualities, still looks on it as one of the most desirable things the world has to offer. It is doubtful if anybody could throw gold away. Even if governments agreed they had no further use for gold, and dumped all their holdings in the river, private companies would doubtless be organized forthwith for the purpose of salvaging it.

Gold is still good. True, much of its old time utility has been beclouded by current events. This old time utility was 3-fold.

Gold's Three Functions

In the first place, prior to the depression, gold was used as a standard of value. A certain amount of refined gold was said to be a dollar. If this given quantity of gold would buy a certain object, a dollar would buy the same object, no more, no less.

Secondly, gold controlled the amount of currency abroad in the country. Currency was convertible into gold, and each bank had to maintain a certain amount of gold for every dollar issued by it. Theoretically, bank notes and bank deposits were kept in close relationship with the amount of gold, and thus gold, theoretically again, kept within bounds the monetary and banking system.

Gold's third function was as an intermediary between Canadian and foreign currency. International balances were settled by it, and it was the one common denominator in a trade world of varying coins and notes.

All these 3 functions were based on a system far more complex and elaborate than appears here, but stripped to the bare bone, these 3 jobs were the chief functions of gold.

How Does it Work

How do they work out today?

Gold is still used as a standard of value, although the given quantity of gold supposed to be a dollar has been reduced sharply in most countries. The gold content of the United States has been reduced some 60%.

Strangely enough, the gold content of the Canadian dollar has never been officially reduced, despite the almost universal trend in that direction. Today, as formerly, a Canadian dollar will theoretically buy as much as .04 ounces of gold. This fact has never been officially denied, although, in practice, a Canadian dollar will buy only as much as will about .03 ounces of gold.

In theory, therefore, this function of gold remains as formerly. In practice, it remains in a modified form, but it still remains.

Its second former function also still persists in a modified form. Section 26, chapter 43 of the Bank of Canada Act, states in part: "the reserve required by this section to be maintained shall consist of gold coin and bullion in the unrestricted ownership of the Bank equal to an amount not less than 25 per centum of the notes and deposit liabilities aforesaid."

Gold is still used, then, to "apply the brakes" to domestic money-and-banking system.

Gold—Fiscal Esperanto

What of its third former use? It has already been pointed out that gold exports in the 1935-6 fiscal year reached the sizeable sum of $83.4 millions. This year it will probably exceed this figure considerably. Canadian Government officials have frequently paid tribute to the part gold has played in bolstering Canada's credit abroad. In this rôle, the part of gold remains more important than ever. It is still a monetary Esperanto by which Canada can make herself understood in a confusion of currencies.

Gold is still good, despite the disavowals universally made by the countries of the world. These countries, like the exasperated housewife, have said, in effect, that they cannot "get along with" gold. Perhaps, like many a housewife has learned, the corollary will be a realization that they cannot "get along without it."

Bridge River News Cheering On All Fronts

Visit to Field Shows Reason for Optimism of Operators

$6 MILLIONS OUTPUT

From Our Own Correspondent

BRIDGE RIVER.—More than $6 millions will probably be taken out of the Bridge River country this year in gold. This has been the most active year in the district since the late Dave Sloan, almost in despair, set off a final charge of dynamite that disclosed the amazingly rich Pioneer mine and laid the foundation for British Columbia's richest new mining camp.

Operators of all the mines in the Bridge River area are extremely optimistic regarding the immediate future, a visit to the field by The Financial Post revealed. Pioneer is now developing its low-level workings, and is down 3,200 ft., but it will be some time before the company knows just what it has down there. Meanwhile the development ore from the lower levels is bringing down the average gold content, but it is hoped to be able to swing back into a higher average next month.

Bralorne Makes Record

Bralorne, looking better than at any previous time, is now operating the Bradian property and the original Bralorne mine as a single unit, and last month reached a new record production—$227,850, which is more than $17,000 above the August gold output. The company has been working extensively not only on the King vein, which was the source of most of the company's earliest production, but in the Empire (Ida May) and Blackbird and Coronation. Recent strikes in the Audrey vein have been spectacular.

Wayside and Minto

The other 2 producers, Wayside and Minto, are making progress in their development programmes. Discovery of high grade ore in the River level has heartened Minto's operators, and only last week Wayside encountered good ore on the 8th level, 380 ft. long with width of 4 to 5 ft.

BRX, developing the old Forty Thieves claims and financed by French capital, is continuing its 3,000-ft. drift in the expectation of picking up the rich Gloria Kitty vein almost any day. Free gold was found on the surface of Gloria Kitty. The management is considering the advisability of developing tonnage for a 500-ton low grade mill.

One of the best pieces of news to come out of the Bridge River country in many a day was the announcement of an important strike in Pacific Eastern, adjoining Pioneer. Pacific Eastern is being financed by the Austen Taylor, Home Oil interests, who are also associated with Bralorne, so ample money is available for development of this property.

Congress Optimistic

Management of Congress is surer than ever that its property will become a big low-grade producer. A complete new plant is now being installed.

Kelvin, using Minto's former plant, is developing a shear averaging 18 inches of ribboned quartz reported to run from 0.5 ounces to one ounce per ton. Reward, whose 60 claims constitute the largest single holding in the northern part of the Bridge River area, is believed to have picked up Minto's Omega vein and is pushing ahead its cross-cutting programme. Having exposed 5 promising shears on the surface, Reliance is reported to have adequate funds to proceed with a deep-level programme.

Chief interest, of course, centres on the big producing mines—Pioneer and Bralorne. Cost of production may be increased slightly at the latter mine because it has been found necessary to shift over from the shrinkage method to cut-and-fill in handling the ores from the Empire and Blackbird sections, which are now being intensively developed. However, it is believed the increasing values of the ore being treated from these sections will more than compensate for the higher costs.

Bradian Plant Idle

The company nas abandoned the Bradian surface plant and is treating the ore from all parts of the mine at the main mill, running slightly more than 400 tons on a daily average.

The task ahead of Pioneer virtually involves the development of an entirely new mine under the 14th level. This, of course, will take time and while the indications are that the richness of the ore is being well maintained.

The Pioneer is now proceeding with installation of a new $45,000 crushing plant which, it is hoped, will give the mill more flexibility in ore handling.

Options

In accordance with listing regulations, the Toronto Stock Exchange has been advised regarding options and underwritings upon treasury shares of the following:

Glenora—by agreement dated Sept. 23, 1936, an option was granted on 100,000 shares at 50 cents per share for 1 year and on 25,000 shares at $1 for 18 months, subject to the provision that none of the shares may be taken up so long as the already outstanding option is in good standing.

Morris Kirkland—by agreement dated Sept. 16, 1936, 50,000 shares were underwritten at 50 cents per share and an option granted on 46,000 shares at 50 cents per share for 60 days.

Reno—the company has sold 40,000 shares at $1.25 per share and has granted an option on 33,694 shares at $1.30 per share to Oct. 23.

Goodfish—during January, 1936, the company sold 20,000 shares at 15 cents per share, this being in addition to any stock sold under option.

Lake Maron—September 25 installments under underwriting and option agreement dated June 15, 1936, not having been taken up, option has lapsed. The agreement covered 150,000 shares at 15 cents; 150,000 shares at 25 cents and 200,000 shares at 35 cents per share, of which only the first block was taken up.

South Tiblemont—balance of option under underwriting and option agreement dated June 15, 1936, comprising 225,000 shares at 5 cents per share has been terminated by mutual consent and shares have been sold to another party at the same price.

Preston East Dome—optionee has taken up an additional 150,000 shares at 35 cents and 1,500 shares at 50 cents under the agreement dated Jan. 28, 1936. Balance of option comprises 464,500 shares at 50 cents per share, the next payment being due April 1, 1938.

Sladen-Malartic—an additional 3,000 shares have been taken up at 45 cents per share under the option agreement dated Nov. 5, 1935. Balance of option comprises 12,000 shares at 45 cents; 200,000 shares at 55 cents, and 300,000 shares at 65 cents, the latter block being stock donated for treasury purposes.

Moneta—an additional 3,000 treasury shares have been sold in the market for $1,776.38.

East Malartic—an additional 7,000 shares have been taken up at 60 cents per share under the underwriting and option agreement dated Oct. 31, 1935. Balance of option covers 141,254 shares at 60 cents per share and 200,000 shares at 80 cents.

Lake Maron—by agreement dated Sept. 29, 1936, 250,000 shares were sold for cash as follows:—100,000 shares at 10 cents; 75,000 shares at 11 cents and 75,000 shares at 12 cents per share.

Latest Revise In Power Rate Will Aid Mines

Canada Northern Power Makes Cut to 8,000 H.P. Consumers

MORE ARE COMING

Revised rates which will cut the power costs of the mines using less than 8,000 horsepower by $150,000 per year has been instituted by the subsidiary companies operated by Canada Northern Power Corp.

During the past 6 years, the Corporation has made successive reductions in rates amounting, with the present one, to $461,000.

In 1930, by the inauguration of an optional residential rate, savings to domestic customers amounted to $50,000 per year. In 1933 the optional commercial rate effected savings to commercial customers amounting to $47,000 per year.

In 1934, business having again increased, a further reduction to both domestic and commercial customers effected additional savings of $84,000 per year. In 1935 a reduction in the rate to mines using over 80,000 horsepower was made which effected savings to these mines of $60,000 per year.

In 1936 another reduction was made to both domestic and commercial customers resulting in further savings of $70,000 per year.

The recently announced reduction will be effective January 1, 1937. This present reduction consists of a straight decrease of $2 per horsepower per year for all power used in mining operations up to 5,000 horsepower with a gradually reducing decrease up to 8,000 horsepower. This will make a substantial saving to the mine amounting to $10,000 per year in a case of a mine using 5.000 horsepower. Following this policy, the company intends to make still further reduction from time to time as conditions warrant, it is officially learned.

Central Pat Should Earn 18c this Year

Eight Months Figures Show Sharp Improvement

Some indication of the improved earnings which Central Patricia Gold Mines will show this year, is contained in the 8 months' statement recently issued, showing earnings from January 1 to August 31, of about 12 cents per share, as compared with 10 cents earned throughout the entire 12 months of 1935.

On this basis, this Ontario producer should net its shares about 18 cents each in the current year.

During the first 8 months of this year, Central Patricia milled 36,533 tons of ore for a gross recovery of $752,326. This works out to a recovery of about $20.59 per ton as compared with an average per ton recovery in 1935 of $22.09. Tonnage handled, however, has shown a steady rise, and in August, 1936, a new monthly high was handled of 5,252 tons. This higher tonnage enables the company to treat lower grade, with increased earnings, as shown.

Estimated Earnings
8 mos. ended Aug. 31, 1936

	$
Gross value of production	752,326
Less: Devel., oper., gen. chgs. & adminis.	320,099
Net earnings	432,227
Less: Deprec. & w/o pre-oper. devel.	83,801
Res. for income tax	47,940
Est. net profit	300,486
Earnings per share: Common	$0.12

At the Mines

Big Master Consolidated Gold Mines—in the Kenora Mining district reports that the point 50 ft. north of the north end of the stope, the vein was intersected in the second round showing well mineralized quartz with a distance of 10.2 ft. between hanging and footwall quartz vein.

* * *

Blue Star Mines—Lateral development is being pushed on the first level at the Kenora property of Blue Star Mines, the company reports. Following further development on this level, shaft sinking will be resumed.

* * *

Clark Gold Mines—near Dyment, Kenora Mining district of Ontario, has completed its 3-compartment shaft to a depth of 145 ft. A contract has been let for increased power plant and other machinery. An underground campaign to prove up the mine to the 500-ft. level has been decided upon.

* * *

Darwin Gold Mines—Indication that the downward extension of the new east-west vein found on the 6th level at Darwin has been reached on the 7th level is contained in a report from Dr. M. H. Frohberg, mine manager, to Toronto interests.

* * *

Duver Creek Gold Mines—A Quebec company with property in Duvern Township, northwestern Quebec has completed financing arrangements and is starting developments of its property under J. S. B. Davies of Amos, Quebec.

* * *

Gale Gold Mines—Announces that the company has contracted for hydro power at its property adjoining Shawkey, Quebec. The company have also contracted for approximately $15,000 of additional machinery and equipment. The liquid position of the company is reported to show a balance of cash in the bank as of September 30, of $42,000.

* * *

Michipicoten Gold Mines—Has signed a contract for the purchase of a 50-ton mill and other machinery The Financial Post is informed. The mill will be erected during the coming winter and should be ready for production by the spring.

* * *

Pandora Cadillac Gold Mines—W. A. Taylor, president, reports that an additional $52,000 has been paid into the treasury by the underwriter bringing the total of such payments received in the past 3 months to $200,000. J. M. Forbes, consulting engineer is now at the properties in the Cadillac district of Quebec and will discuss plans for a further diamond drilling programme to supplement the work at present being done by 3 machine shifts underground.

Mining Dividends

	Rate	Close Oct. 5	Yield %
Anglo-Huronian	20c	6.00	..
Beattie Gold	†5c	1.32	..
Bralorne	30c+15c	8.50	..
Buff. Ankerite	20c	9.10	2.2
Bulolo Gold	‡1.40	29.00	..
Cariboo	10c	1.89	5.3
Central Patricia	†4c	4.00	..
Coniagas	†12½c	3.25	..
Cons. Smelters	50c	59.50	..
Dome Mines	$2+$2	56.00	7.2*
Falconbridge	30c	10.25	2.9
Hollinger	65c+20c	13.50	6.3*
Howey Gold	2c	.72	..
Hudson Bay	50c	29.75	..
Island Mountain	†5c	1.25	..
Int. Coal & Coke	‡1c	.21	..
Inter. Mining	60c	11.50	5.2
Int. Nickel, c.	$1.40	62.50	2.2
Keri Lake	5c	.64	..
Kirk. Lake	‡3c	.54	..
Lake Shore	$4	55.75	7.2
Little L. Lac	30c	6.20	..
Macassa	15c	4.25	..
McIntyre	$2	39.00	5.1
McKenzie R. Lake	†3c	1.68	..
McKinley Sec	2½c	.63	..
McWatters Gold	†5c	1.20	..
Nipissing	50c	2.50	..
Nor. Can. Mining	2c	.53	..
Noranda	‡$1.25	65.00	1.9
Pickle Crow	15c	6.50	..
Premier	12c+4c	3.18	5*
Pioneer, B.C.	80c	7.85	10.2
Reno	12c	1.37	8.7
San Antonio	14c	1.70	..
Sheep Creek	8c	.92	8.7
Siscoe	20c	4.40	4.5
So. Amer. Gold	20c	3.05	..
Sylvanite	20c	3.10	6.4
Teck-Hughes	40c+5c	5.85	7.7*
Toburn	8c	3.70	2.2
Ventures	†2½c	2.39	..
Wright-Har.	40c+20c	7.75	7.7*
Ymir Yankee Girl	5c	.45	..

‡Interim. †Initial. *Yield includes bonus.

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Social Aid Costs in Various Branches, Generally Ignored, Put Additional Burden on Taxpayers

Huge Sums Distributed By Hit and Miss System

Though Canadians are used to hearing of the $115 to $120 millions we are spending annually on unemployed, Charlotte Whitton this week bares the fact that most of us are oblivious of the $80 millions we spend annually in Canada to provide social aid through various public and private sources apart from relief.

Branding much of this aid as an "ill co-ordinated system" she outlines the ways in which this huge sum is being distributed by provinces and municipalities and makes constructive suggestions as to how some of these important services such as municipal relief and other welfare services might be improved.

This article is one of a special series being written for The Financial Post by Charlotte Whitton, C.B.E., who ranks as Canada's outstanding authority on social problems. She is executive director of the Canadian Welfare Council.

By CHARLOTTE WHITTON, C.B.E.

Charlotte Whitton, C.B.E.

The problem of unemployment and the organization and extent of assistance to relieve the dependency arising therefrom have tended to obscure from the Canadian view the range and existence of other major lines of social aid, some of which, such as the poor law relief of the Maritimes, are almost as old as constituted government in those provinces, others of which are of very recent enactment.

Canadians are beginning to take a responsible interest in the causes and control of dependency due to unemployment because they know that it is involving 1,200,000 dependent men, women and children at an annual cost of $115 to $120 millions. They seem oblivious of the fact that other major social problems have been developing with increasing significance in recent years, and that an ill co-ordinated system of public and private services has been brought into existence to meet them. Almost disregarded in an obsession with the immediate problem these services now involve a net annual public expenditure of about $80 millions and affect the lives of 500,000 to 550,000 persons, dependent in whole or in part on social aid and in some cases (e.g. hospitalization), affecting the same people and homes as their unemployment relief services.

And More Millions

In these totals, no calculations are included of relief or assistance to dependent military pensioners, while in and through the picture are interwoven the contribution and services of private charity and philanthropy, a whole chapter in itself, and the importance of which may be indicated by the simple statement that each year the 13 community funds in 7 of our cities raise nearly $3 millions from voluntary funds.

Canada may be said to have a problem of real significance and extent in the field of social dependency, which I shall discuss under its various component parts.

* * *

Municipal Relief

Prior to the present depression, need and distress arising from unemployment or other economic or social cause had been the responsibility almost entirely of the municipal units of government in the different provinces. Where the municipality made no or inadequate provision, private charity came to the rescue.

The Dominion government had participated in the relief of distress arising from post war unemployment in 1922, and 1923, and again in 1926. Manitoba had come to the rescue of certain of its municipalities where such needs had been particularly heavy: All 4 western provinces had provided special appropriations for the relief of destitution in unorganized, disorganized and bankrupt municipalities, and Ontario and Quebec had made special provision from time to time for similar purposes in their unorganized districts and northern territories.

Residence Rule

But by and large, the relief of distress rested upon the municipality of the recipients' residence. This principle was jealously guarded in the development of the practice of grants in aid from the provinces to the municipalities for hospitalization of the indigent and in the commitment of children to care at public cost under the legislation for child protection and the care of youthful delinquents in the different provinces.

It was also preserved in the provisions for care of the infirm or handicapped in private or public benevolent institutions, with the exception of mental hospitals, for which several of the provinces assumed the major share of costs. Most of the provinces incorporated the principle again by a charge back as 6 in turn adopted the system of special allowances to widowed or dependent mothers with young families, though assuming half or more of the cost themselves. As old age pensions were adopted some of the provinces still insisted upon a charge back to the municipalities of a share of the residual cost, outside of the Dominion's share. But since the Dominion has assumed 75% of this item most of the provinces absorb the balance directly in their budgets.

Municipal Problem

With the exception of these reservations in these special forms of aid, the municipalities today continue to meet the exclusive costs of relief and distress from causes other than unemployment for their bonafide residents. This may run into several hundreds of thousands of dollars a year in a large municipality like Toronto, Winnipeg or Vancouver, since it includes relief or service given to people in their own homes when destitution threatens from sickness, or any of the varied problems of social adjustment not covered by special legislation.

In the Maritimes, this aid is levied and administered through the Poor Law modelled on the British system which was completely replaced by the British Public Assistance measure in 1930. In Quebec, municipal aid of this "outdoor" kind on behalf of persons living in their own homes is but slightly developed and limited in scope. Emphasis is placed upon institutional care with grants payable on a per capita per diem basis shared equally by province or municipality under a system incorporated in the Quebec Public Charities Act whereby scheduled grants are paid to private charities.

In Ontario and all the western provinces there is no definite system, each municipality being left to work out its own provisions within the general responsibility of providing relief imposed under the various municipal acts.

A Lost Factor

It is impossible to ascertain either the extent or cost of such aid distributed annually in Canada's 4,200 organized municipalities. It has been almost entirely lost sight of by the general public in its absorption with unemployment relief but it is given to many thousands of people at a cost that cannot be less than $5,000,000 annually, and varies as widely as municipal practice across the Dominion.

Obviously, this field of social aid would touch closely upon the field of unemployment relief. Some of the larger municipalities administer both through different divisions of the same department; others do not let their right hand know what the left is doing, while in only 2 provinces is there any close collaboration between the different departments of the provincial services dealing with unemployment relief and relief of the destitute in the municipalities.

* * *

Old Age Assistance

Next in volume and extent of our provisions for social assistance comes the payment of old age pensions, which (since no contributory payment is involved, or establishment of proof of service rendered) may be accurately described as old age allowances or subsidy. Made possible by a federal enactment of 1927 they have been rapidly adopted by all 9 provinces, New Brunswick and Quebec inaugurating the system this year.

Last year they were paid to 107,279 persons, at a cost exceeding $22 millions, of which the Dominion contribution was $16 millions. Since the inception of the plan the Dominion has paid out $69,765,254. The admission of New Brunswick and Quebec in the plan will probably mean an addition within a year of not less than 60,000 pensioners at a minimum cost of possibly $11 millions.

Basis of Payment

Briefly the grant is payable to a maximum of $20 per month or $240 a year to any aged person in receipt of other income not exceeding $125 per year, the principle being assurance of an income from savings and pension not exceeding $1 per day. The beneficiary must be 70 years of age, a British subject and resident within Canada for 20 years and in the province for 5 years preceding the date of application. The Dominion reimburses the provinces 75% of their disbursements under the Act, which is administered under regulations passed by the Dominion power in agreement with the provinces.

The act is administered by the Dominion Department of Finance but provincial administration varies in the different provinces. Some handle administration directly; others entrust it to the municipalities, a costly proceeding where the latter may recommend grants without responsibility for costs. Alberta, British Columbia and Manitoba administer the measure through the Workmen's Compensation Board, Saskatchewan and Quebec through special commissioners; Ontario and Nova Scotia through the Department or Division of Public Welfare; New Brunswick and Prince Edward Island through special officials in the ordinary provincial administration.

* * *

Aid to Dependent Mothers

Another form of special aid or assistance is Mothers' Allowances initiated in Manitoba in 1917 and since adopted in all the provinces but New Brunswick, Prince Edward Island and Quebec. Today these allowances are being paid to 16,000 mothers and 42,000 children at an aggregate cost of $5.3 millions shared, as the case may be in various provinces, by provinces and municipalities.

Originally enacted to provide allowances to widowed mothers, otherwise competent, to bring up their children safe from the bitter pressure of poverty and insecurity, the measure has been broadened in different provinces to include wives of the incarcerated insane, the permanently incapacitated, and (in one province) of prisoners, while deserted mothers are also admitted to such aid in several provinces.

Social vs. Economic Problems

There is, in fact, some danger of its extension, through misconception of its purpose, to cover circumstances where grave social problems enter as well as economic need. All 6 provinces administer the service directly through their own welfare staffs, entrusting supervision in some cases to the municipal welfare officials.

But in no province is this special allowance or relief to needy mothers entrusted to the same service as old age and unemployment relief, though obviously they call for similar technique and personnel. Ontario has gathered these 3 services into her common Department of Public Welfare, and Nova Scotia has entrusted mothers' allowances and old age pensions to the same director while Saskatchewan maintains the 2 divisions within the same branch of one department.

* * *

Child Care

Children in need of care and protection throughout the Dominion fall generally within the service of the Children's Aid Societies in the English speaking provinces or the various child caring homes and institutions operated under private auspices in all the provinces. There are no less than 89 such societies and 198 institutions caring for children, or children and adults with a total of 41,780 children in care. These services are operated through the co-operation of private and public enterprise with provincial supervision varying in nature and extent.

* * *

Benevolent Institutions

The municipal authorities or private philanthropy provide also for custodial care of the aged and infirm either in "county refuges" or special homes. Of these there are 118 with 11,750 adult dependents in care altogether in these institutions and in those which care for children and adults together.

* * *

Industrial Schools

Most of the provinces make special provision for juvenile offenders, for whose care 29 industrial schools are provided, 19 under private and 10 under public auspices with per capita grants for maintenance, payable by the public authorities to the former. Their average population runs about 2,400 to 2,500.

* * *

The Indigent Sick

But outside of unemployment relief, the greatest single item in social assistance to the needy is in the payment of public grants for the hospitalization of the indigent sick. This has now been reduced to a fairly comparable basis of aid in the different provinces and amounts to a net cost to provinces and municipalities of $31 to $32 millions per annum, with another $10 millions (net) for the care of non-pay patients in the mental hospitals.

No less than 35 to 40% of all patients admitted to the hospitals of Canada and 80 to 85% of those in our institutions for mental care are given treatment on a non-pay basis. These services are administered in most of the provinces by the Departments of Public Health, with admission of indigent patients controlled within the municipality of legal residence.

Ontario Death Duties Up Income Tax Disappoints

Succession Duties May Reach New High Record

DOMINION FIRST

Ontario income tax collections may fall substantially below the net of $6 millions estimated in this year's budget speech, The Financial Post understands on reliable authority. The reason for this is said to be the exemption from Ontario taxation of the large portion of income taken as tax by the Dominion Government.

It is understood that the Ontario government has received about $4 millions in income tax collections from the federal government. Repayment of $3 millions to municipalities would leave the province a net of only $1 million. This will be swelled, of course, by later collections, but hardly close to the estimate of $6 millions net.

While this cannot be confirmed officially, it is understood that the Ontario Government will more than make up in increased revenue from succession duties any disappointment in revenue from the income tax.

Succession Duty Records

Premier Hepburn, who is also provincial treasurer, budgetted for $9.5 millions in succession duties for the year ended March 31, 1936, and actual collections were $12 millions, the highest on record. The estimate was $12 millions for the 1936-37 year. Thus, if collections on this account are to compensate for lower income tax revenue than expected, another record will be established for succession duty collections.

Most of the personal income tax, upon which the province based its new levy, is paid in the first few months of the year. Consequently, the Government cannot expect as large collections in the remainder of the current year which runs to March 31, 1937.

The budget for 1936-37 provided for total revenue of $72.3 millions. Total expenditure, including direct unemployment relief, was estimated at $71.7 millions. The estimated surplus was approximately $600,000.

If Ontario succeeds in collecting sufficient revenue to cover both ordinary expenditures and direct relief costs this year, it will be the first Canadian province to accomplish this since the nation-wide series of depression deficits commenced.

Court Approves Stanfield's Plan

From Our Own Correspondent

MONTREAL.—Stanfields Ltd., textile operators in Truro, N.S., have received court confirmation of a reduction in the capital structure of the company as ratified by a meeting of the shareholders last month. The application asked for approval of the redemption of 10,000 preference shares of the par value of $40 each.

While the last financial statement of Stanfields shows a strong cash position, no decision has been made public as to where the company will secure funds with which to redeem the preferred stock.

NEW APPOINTMENT

M. W. McDonald, who was recently appointed secretary and treasurer of the Dominion Steel & Coal Corporation, Sydney, N.S. He was formerly comptroller of the company.

German Steel Companies Seek Canadian Minerals

Development of German-Canadian trade by means of a barter-pool plan is the object of four German steel companies which have sent a representative to Canada. The German plan is to secure Canadian mineral and other raw materials for refining and manufacturing in Germany. Chromium, molybdenum, cobalt, nickel ores and concentrates are sought, with payment to be made in cash through a barter-pool which is intended also to sell German machinery and manufactured products to Canadian buyers.

Nikolaus Freyenhagen, resident in Canada for several years and who has spent the last 10 months in Germany negotiating the arrangement, has returned to Canada as representative of the German steel concerns.

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	£23,710,000
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The BACHELOR'S COLUMN correspondence should be addressed to: "Bachelor", Andrew Wilson & Co. Ltd., Toronto.

Farewell to Summer

I SPENT last week-end closing the summer cottage . . . Took down the water-pump and disconnected the pipes . . . Put up the shutters and stowed the canoe away . . . It sounds like hard work, and so it was . . . But I think it's a good thing for a man who spends most of his time in an office to give his brain a rest and work with his hands now and then . . . Besides, I took plenty of time off to admire the glory of the autumn woods—leaves of every hue from old gold to vivid scarlet—and to enjoy an occasional fragrant Bachelor Cigar between jobs.

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